

**BEFORE THE OIL CONSERVATION DIVISION
EXAMINER HEARING DECEMBER 2, 2021**

CASE NO. 22352

SD 24 13 FED P416 #17H WELL

SD 24 13 FED P416 #18H WELL

SD 24 13 FED P416 #19H WELL

LEA COUNTY, NEW MEXICO



**STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION**

**APPLICATION OF CHEVRON U.S.A.
INC. FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.**

CASE NOS. 22352

CHEVRON'S EXHIBITS

Chevron Exhibit A –	Pooling Application Checklist
Chevron Exhibit B –	Application of Chevron U.S.A. Inc. Lea County, New Mexico
Chevron Exhibit C –	Affidavit of Gregg Pazer, Land Representative
Chevron Exhibit C-1 –	Gregg Pazer Resume
Chevron Exhibit C-2 –	C-102
Chevron Exhibit C-3 –	Tract/Unit Recap
Chevron Exhibit C-4 –	Well Proposal/AFEs
Chevron Exhibit C-5 –	Chronology of Contact with Uncommitted Interests
Chevron Exhibit D –	Affidavit of Alexandra Fleming, Geologist
Chevron Exhibit D-1 –	Alexandra Fleming Resume
Chevron Exhibit D-2 –	Gun Barrel / Development Overview
Chevron Exhibit D-3 –	Project Locator Map for Third Bone Spring
Chevron Exhibit D-4 –	Project Locator Map for Third Bone Spring
Chevron Exhibit D-5 –	Cross-Section Map for Third Bone Spring
Chevron Exhibit D-6 –	Cross-Section for Third Bone Spring
Chevron Exhibit E –	Notice Affidavit
Chevron Exhibit F –	Notice of Publication

COMPULSORY POOLING APPLICATION CHECKLIST (pdf)


ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case: 22352	APPLICANT'S RESPONSE
Date: December 2, 2021	
Applicant	Chevron U.S.A. Inc.
Designated Operator & OGRID (affiliation if applicable)	Chevron U.S.A. Inc. (OGRID No. 4323)
Applicant's Counsel:	Holland & Hart LLP
Case Title:	APPLICATION OF CHEVRON U.S.A. INC. FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.
Entries of Appearance/Intervenors:	N/A
	SD 24 13 FED P416 wells
Formation/Pool	
Formation Name(s) or Vertical Extent:	Wolfcamp
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Wolfcamp formation
Pool Name and Pool Code:	WC-025 G-08 S263205N;UPPER WOLFCAMP [98065]
Well Location Setback Rules:	Statewide Horizontal well rules
Spacing Unit Size:	640 acres, more or less
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	640 acres, more or less
Building Blocks:	quarter-quarter sections
Orientation:	North/South
Description: TRS/County	E/2 of Sections 13 and 24, Township 26 South, Range 32 East, NMPM, Lea County, New Mexico.
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes
Other Situations	

BEFORE THE OIL CONSERVATION
DIVISION
Santa Fe, New Mexico
Exhibit No. A
Submitted by: Chevron USA Inc.
Hearing Date: December 2, 2021
Case No. 22352

Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	Yes
Proximity Defining Well: if yes, description	SD 24 13 FED P416 #18H well will remain within 330 feet of the E/2 E/2 of Sections 13 and 24 to allow inclusion of this acreage in a standard horizontal spacing uni
Applicant's Ownership in Each Tract	Exhibit C-3
Well(s)	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	
Well #1	<p><u>SD 24 13 FED P416 Well No. 17H</u>, API No. 30-025-PENDING SHL:248 feet from the south line and 2205 feet from the east line, SW/4 SE/4 (Unit O) of Section 24, Township 26 South, Range 32 East, NMPM. BHL:25 feet from the north line and 2170 feet from the east line, NW/4 NE/4 (Unit B) of Section 13, Township 26 South, Range 32 East, NMPM.. Completion Target: Wolfcamp Well Orientation:south/north Completion Location expected to be:standard</p>
Well #2	<p><u>SD 24 13 FED P416 Well No. 18H</u>, API No. 30-025-PENDING SHL:248 feet from the south line and 2180 feet from the east line, SW/4 SE/4 (Unit O) of Section 24, Township 26 South, Range 32 East, NMPM. BHL:25 feet from the north line and 1430 feet from the east line, NW/4 NE/4 (Unit B) of Section 13, Township 26 South, Range 32 East, NMPM.. Completion Target: Wolfcamp Well Orientation:south/north Completion Location expected to be:proximity tract well</p>
Well #3	<p><u>SD 24 13 FED P416 Well No. 19H</u>, API No. 30-025-PENDING SHL:248 feet from the south line and 2155 feet from the east line, SW/4 SE/4 (Unit O) of Section 24, Township 26 South, Range 32 East, NMPM. BHL:25 feet from the north line and 690 feet from the east line, NE/4 NE/4 (Unit A) of Section 13, Township 26 South, Range 32 East, NMPM.. Completion Target: Wolfcamp Well Orientation:south/north Completion Location expected to be:standard</p>

Horizontal Well First and Last Take Points	Exhibit C-2
Completion Target (Formation, TVD and MD)	Exhibit C-5
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$7,500
Production Supervision/Month \$	\$700
Justification for Supervision Costs	Exhibit C, C-5
Requested Risk Charge	Exhibit C
Notice of Hearing	
Proposed Notice of Hearing	Exhibit B
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit E
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit F
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit C-3
Tract List (including lease numbers and owners)	Exhibit C-3
Pooled Parties (including ownership type)	Exhibit C-3
Unlocatable Parties to be Pooled	N/A
Ownership Depth Severance (including percentage above & below)	N/A
Joinder	
Sample Copy of Proposal Letter	Exhibit C-5
List of Interest Owners (ie Exhibit A of JOA)	Exhibit C-4
Chronology of Contact with Non-Joined Working Interests	Exhibit C-6
Overhead Rates In Proposal Letter	Exhibit C-5
Cost Estimate to Drill and Complete	Exhibit C-5
Cost Estimate to Equip Well	Exhibit C-5
Cost Estimate for Production Facilities	Exhibit C-5
Geology	
Summary (including special considerations)	Exhibit D, D-1, D-2
Spacing Unit Schematic	Exhibit D, D-1, D-2

Gunbarrel/Lateral Trajectory Schematic	Exhibit D-1
Well Orientation (with rationale)	Exhibit D, D-1, D-2, D-3
Target Formation	Exhibit D, D-1, D-2, D-3
HSU Cross Section	Exhibit D-1, D-3
Depth Severance Discussion	Exhibit C
Forms, Figures and Tables	
C-102	Exhibit C-2
Tracts	Exhibit C-4
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit C-4
General Location Map (including basin)	Exhibits C-1 D-1
Well Bore Location Map	Exhibit D-1
Structure Contour Map - Subsea Depth	Exhibit D-2
Cross Section Location Map (including wells)	Exhibit D-1
Cross Section (including Landing Zone)	Exhibit D-3
Additional Information	
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.	
Printed Name (Attorney or Party Representative):	Kaitlyn A. Luck
Signed Name (Attorney or Party Representative):	
Date:	30-Nov-21

**STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION**

**APPLICATION OF CHEVRON U.S.A.
INC. FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.**

CASE NO. 22352

APPLICATION

Chevron U.S.A. Inc. ("Chevron" or "Applicant") (OGRID No. 4323), through its undersigned attorneys, hereby files this application with the Oil Conservation Division pursuant to the provisions of N.M.S.A. 1978, § 70-2-17, for an order pooling all uncommitted interests in the Wolfcamp formation (WC-025 G-08 S263205N;UPPER WOLFCAMP [98065]) underlying a standard 640-acre horizontal spacing unit comprised of the E/2 of Sections 13 and 24, Township 26 South, Range 32 East, NMPM, Lea County, New Mexico. In support of its application, Chevron states:

1. Applicant is a working interest owner in the proposed horizontal spacing unit and has the right to drill thereon.
2. Applicant seeks to dedicate the above-referenced horizontal spacing unit to the proposed initial wells:
 - (1) the **SD 24 13 FED P416 #17H well** (API No. 30-025-pending), and (2) the **SD 24 13 FED P416 #18H well** (API No. 30-025- pending), to be horizontally drilled from a surface hole location in the SW/4 SE/4 (Unit O) of Section 24 to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 13; and

**BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. B
Submitted by: Chevron USA Inc.
Hearing Date: December 2, 2021
Case No. 22352**

- (3) the **SD 24 13 FED P416 #19H well** (API No. 30-025- pending), to be horizontally drilled from a surface hole location in the SW/4 SE/4 (Unit O) of Section 24 to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 13.

3. The completed interval for the **SD 24 13 FED P416 #18H well** will remain within 330 feet of the E/2 E/2 of Sections 13 and 24 to allow inclusion of this acreage in a standard horizontal spacing unit.

4. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all the working interest owners in the subject spacing unit.

5. The pooling of interests will avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.

6. In order to permit Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in this horizontal spacing unit should be pooled and Applicant should be designated the operator of the proposed horizontal wells and spacing unit.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on December 2, 2021, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interests in the Wolfcamp formation underlying the proposed spacing unit;
- B. Approving the initial wells in the horizontal well spacing unit;
- C. Designating Applicant as operator of the horizontal spacing unit and the horizontal wells to be drilled thereon;

- D. Authorizing Applicant to recover its costs of drilling, equipping and completing the wells;
- E. Approving the actual operating charges and costs of supervision while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and
- F. Imposing a 200% charge for the risk assumed by Applicant in drilling and completing the wells against any working interest owner who does not voluntarily participate in the drilling of the wells.

Respectfully submitted,

HOLLAND & HART LLP



By: _____

Michael H. Feldewert

Adam G. Rankin

Julia Broggi

Kaitlyn A. Luck

Post Office Box 2208

Santa Fe, New Mexico 87504-2208

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(505) 983-6043 Facsimile

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jbroggi@hollandhart.com

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ATTORNEYS FOR CHEVRON U.S.A. INC

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

APPLICATION OF CHEVRON
U.S.A. INC. FOR COMPULSORY
POOLING,
LEA COUNTY, NEW MEXICO.

CASE NOS. 22352

AFFIDAVIT OF GREGG PAZER

Gregg Pazer, of lawful age and being first duly sworn, declares as follows:

1. My name is Gregg Pazer. I work for Chevron USA Inc. ("Chevron") as a Land Representative.
2. I have not previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum land matters. **Chevron Exhibit C-1** is a copy of my resume reflecting my education and experience in petroleum land matters. I seek to have my credentials accepted by the Division as an expert petroleum landman.
3. I am familiar with the application filed by Chevron in this case, and I am familiar with the status of the lands in the subject area.
4. None of the uncommitted parties in this case has indicated opposition to this pooling application, and therefore I do not expect any opposition at the hearing.
5. Chevron seeks an order pooling all uncommitted interests in the Wolfcamp formation (WC-025 G-08 S263205N; UPPER WOLFCAMP [98065]) underlying a standard 640-acre horizontal spacing unit comprised of the E/2 of Sections 13 and 24, Township 26 South, Range 32 East, NMPM, Lea County, New Mexico.
6. Chevron seeks to dedicate this spacing unit to the following proposed initial wells:

BEFORE THE OIL CONSERVATION
DIVISION
Santa Fe, New Mexico
Exhibit No. C
Submitted by: Chevron USA Inc.
Hearing Date: December 2, 2021
Case No. 22352

(1) the **SD 24 13 FED P416 #17H well** (API No. 30-025-pending), and (2) the **SD 24 13 FED P416 #18H well** (API No. 30-025- pending), to be horizontally drilled from a surface hole location in the SW/4 SE/4 (Unit O) of Section 24 to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 13; and

(3) the **SD 24 13 FED P416 #19H well** (API No. 30-025- pending), to be horizontally drilled from a surface hole location in the SW/4 SE/4 (Unit O) of Section 24 to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 13.

7. **Chevron Exhibit C-2** is the Form C-102s for the proposed wells. The completed interval for the SD 24 13 FED P416 #18H well will remain within 330 feet of the E/2 E/2 of Sections 13 and 24 to allow inclusion of this acreage in a standard horizontal spacing unit.

8. The wells are located in the WC-025 G-08 S263205N;UPPER WOLFCAMP Pool [Pool Code 98065].

9. There are no depth severances in the Wolfcamp formation underlying the proposed spacing unit.

10. **Chevron Exhibit C-3** contains a plat outlining the unit being pooled and identifies the tracts of land comprising the proposed horizontal spacing unit. This proposed spacing unit includes federal lands.

11. Chevron has identified on **Exhibit C-4** the uncommitted working interest owners and interest owners that remain to be pooled. Chevron is also seeking to pool the overriding royalty interest owners identified on **Exhibit C-4**.

12. Chevron sent well proposal letters, together with corresponding AFEs, to the working interest owners in this case. The costs reflected in the AFEs are consistent with what

other operators have incurred for drilling similar horizontal wells in the area. A copy of the well proposal letters, along with the AFE, is attached hereto as **Chevron Exhibit C-5**.

13. Chevron seeks approval of overhead and administrative costs at \$7,000/month while drilling and \$700/month while producing. These costs are consistent with what Chevron and other operators are charging in this area for these types of wells. Chevron respectfully requests that these administrative and overhead costs be incorporated into any order entered by the Division in these cases.

14. Chevron has been able to locate contact information for all parties it seeks to pool and has undertaken good faith efforts to reach an agreement with the uncommitted interest owners. **Chevron Exhibit C-6** contains a chronology of the contacts with the working interest owners that Chevron seeks to pool. Chevron has made a good faith effort to obtain voluntary joinder of the working interest owners and unleased mineral interests in the proposed wells.

15. If Chevron reaches an agreement with any of the proposed pool parties before the Division enters any order, I will let the Division know that Chevron is no longer seeking to pool that party.

16. I provided the law firm of Holland & Hart LLP a list of names and addresses for the uncommitted interest owners shown on Chevron Exhibit C-3. In compiling these addresses, Chevron conducted a diligent search of all public records in the county where the proposed wells are located and of phone directories, including computer searches. All parties were locatable.

17. **Chevron Exhibits C-1 through C-6** were either prepared by me or compiled under my direction and supervision.

FURTHER AFFIANT SAYETH NOT.

Gregg C. Pazer

1400 Smith Street, Houston, TX 77002

412-592-8964 gpazer@chevron.com

Land Experience

Land Representative	Chevron U.S.A. Inc.	2011- present
<ul style="list-style-type: none"> Managed oil and gas prospects across multiple states, including New Mexico, Pennsylvania, Ohio, and West Virginia Developed land acquisition strategies, supervised field landmen, provided land guidance and recommendations to technical team members Conducted title research, lease acquisition, title curative, and record management across multiple areas of increasing responsibility 		
Company Landman	Atlas Energy, Inc.	2010 – 2011
<ul style="list-style-type: none"> Conducted title research, lease acquisition, title curative, and record management for company assets in southwestern Pennsylvania 		
Independent Landman		2009 – 2010
<ul style="list-style-type: none"> Conducted title research, lease acquisition, and title curative for multiple clients across southwestern and central Pennsylvania 		

Education

Duquesne University School of Law	<i>Juris Doctor</i>	2005 - 2008
Pennsylvania State University	<i>Bachelor of Arts</i>	1999 - 2004

Professional Memberships

American Association of Professional Landmen	<i>Member No. 83521</i>	2011 - present
Houston Association of Professional Landmen		2021 - present
Pennsylvania Bar Association	<i>Attorney No. 209172</i>	2008 - present

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C1
Submitted by: Chevron USA Inc.
Hearing Date: December 2, 2021
Case No. 22352

1625 N. French Dr., Hobbs, NM 88240
 Phone: (575) 393-6161 Fax: (575) 393-0720
District II
 811 S. First St., Artesia, NM 88210
 Phone: (575) 748-1283 Fax: (575) 748-9720
District III
 1000 Rio Brazos Road, Aztec, NM 87410
 Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
 1220 S. St. Francis Dr., Santa Fe, NM 87505
 Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
 Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

Revised August 1, 2011
 Submit one copy to appropriate
 District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	² Pool Code	³ Pool Name
⁴ Property Code	⁵ Property Name SD 24 13 FED P416	⁶ Well Number 17H
⁷ OGRID No. 4323	⁸ Operator Name CHEVRON U.S.A. INC.	⁹ Elevation 3136'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
O	24	26 SOUTH	32 EAST, N.M.P.M.		248'	SOUTH	2205'	EAST	LEA

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	13	26 SOUTH	32 EAST, N.M.P.M.		25'	NORTH	2170'	EAST	LEA

¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

<p>¹⁶</p> <table border="1"> <tr> <th>SD 24 13 FED P416 17H WELL</th> <th>PROPOSED BOTTOM HOLE LOCATION</th> </tr> <tr> <td>X= 719,075 Y= 372,259 LAT. 32.021485 N LONG. 103.626471 W NAD 27</td> <td>X= 719,046 Y= 382,693 LAT. 32.050167 N LONG. 103.626345 W NAD 27</td> </tr> <tr> <td>X= 760,263 Y= 372,316 LAT. 32.021611 N LONG. 103.626939 W NAD83/2011</td> <td>X= 760,233 Y= 382,750 LAT. 32.050291 N LONG. 103.626815 W NAD83/2011</td> </tr> <tr> <td>ELEV. +3,136' NAVD88</td> <td></td> </tr> </table> <table border="1"> <tr> <th>PROPOSED FIRST TAKE POINT</th> <th>PROPOSED LAST TAKE POINT</th> </tr> <tr> <td>X= 719,111 Y= 372,111 LAT. 32.021078 N LONG. 103.626359 W NAD 27</td> <td>X= 719,046 Y= 382,618 LAT. 32.049960 N LONG. 103.626346 W NAD 27</td> </tr> <tr> <td>X= 760,298 Y= 372,168 LAT. 32.021203 N LONG. 103.626827 W NAD83/2011</td> <td>X= 760,233 Y= 382,675 LAT. 32.050085 N LONG. 103.626815 W NAD83/2011</td> </tr> </table>	SD 24 13 FED P416 17H WELL	PROPOSED BOTTOM HOLE LOCATION	X= 719,075 Y= 372,259 LAT. 32.021485 N LONG. 103.626471 W NAD 27	X= 719,046 Y= 382,693 LAT. 32.050167 N LONG. 103.626345 W NAD 27	X= 760,263 Y= 372,316 LAT. 32.021611 N LONG. 103.626939 W NAD83/2011	X= 760,233 Y= 382,750 LAT. 32.050291 N LONG. 103.626815 W NAD83/2011	ELEV. +3,136' NAVD88		PROPOSED FIRST TAKE POINT	PROPOSED LAST TAKE POINT	X= 719,111 Y= 372,111 LAT. 32.021078 N LONG. 103.626359 W NAD 27	X= 719,046 Y= 382,618 LAT. 32.049960 N LONG. 103.626346 W NAD 27	X= 760,298 Y= 372,168 LAT. 32.021203 N LONG. 103.626827 W NAD83/2011	X= 760,233 Y= 382,675 LAT. 32.050085 N LONG. 103.626815 W NAD83/2011	<p>Proposed Last Take Point 100' FNL, 2170' FEL</p> <p>Proposed First Take Point 100' FSL, 2170' FEL</p> <p>CORNER COORDINATES TABLE (NAD 27)</p> <p>A - Y=382677.22, X=715890.15 B - Y=371978.70, X=715943.63 C - Y=373345.79, X=718605.59 D - Y=372006.29, X=718612.32 E - Y=382711.66, X=718552.69 F - Y=373359.36, X=719939.26 G - Y=372020.08, X=719946.66 H - Y=382746.10, X=721215.23 I - Y=372033.87, X=721281.01</p> <p>BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. C2 Submitted by: Chevron USA Inc.</p>	<p>¹⁷ OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Signature _____ Date _____</p> <p>Printed Name _____</p> <p>E-mail Address _____</p> <p>¹⁸ SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>03/13/2020 Date of Survey</p> <p>Signature and Seal of Professional Surveyor: 05/17/2021</p> <p>Certificate Number _____</p>
SD 24 13 FED P416 17H WELL	PROPOSED BOTTOM HOLE LOCATION															
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State of New Mexico
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 Santa Fe, NM 87505

Revised August 1, 2011
 Submit one copy to appropriate
 District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	² Pool Code	³ Pool Name
⁴ Property Code	⁵ Property Name SD 24 13 FED P416	⁶ Well Number 18H
⁷ OGRID No. 4323	⁸ Operator Name CHEVRON U.S.A. INC.	⁹ Elevation 3136'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
O	24	26 SOUTH	32 EAST, N.M.P.M.		248'	SOUTH	2180'	EAST	LEA

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	13	26 SOUTH	32 EAST, N.M.P.M.		25'	NORTH	1430'	EAST	LEA

¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

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CORNER COORDINATES TABLE (NAD 27)

A - Y=382677.22, X=715890.15
 B - Y=371978.70, X=715943.63
 C - Y=373345.79, X=718605.59
 D - Y=372006.29, X=718612.32
 E - Y=382711.66, X=718552.69
 F - Y=373359.36, X=719939.26
 G - Y=372020.08, X=719946.66
 H - Y=382746.10, X=721215.23
 I - Y=372033.87, X=721281.01

1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720

District II

811 S. First St., Artesia, NM 88210

Phone: (575) 748-1283 Fax: (575) 748-9720

District III

1000 Rio Brazos Road, Aztec, NM 87410

Phone: (505) 334-6178 Fax: (505) 334-6170

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico

Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

Revised August 1, 2011

Submit one copy to appropriate

District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	² Pool Code	³ Pool Name
⁴ Property Code	⁵ Property Name SD 24 13 FED P416	⁶ Well Number 19H
⁷ OGRID No. 4323	⁸ Operator Name CHEVRON U.S.A. INC.	⁹ Elevation 3137'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
O	24	26 SOUTH	32 EAST, N.M.P.M.		248'	SOUTH	2155'	EAST	LEA

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	13	26 SOUTH	32 EAST, N.M.P.M.		25'	NORTH	690'	EAST	LEA

¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.

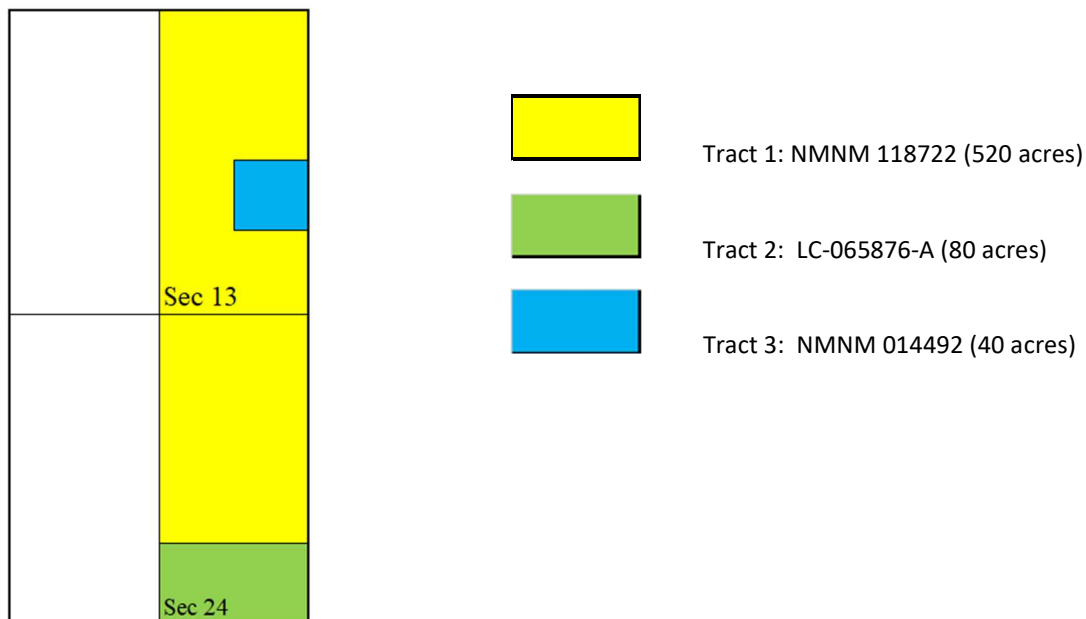
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Exhibit C-3

OWNERSHIP BREAKDOWN**SD 24 13 FED P416**

E/2 of Section 13 and Section 24, T26S, R32E, Lea County, New Mexico, Wolfcamp Formation, 640 acres,
Delaware Basin



Tract 1 Ownership (NE/4, NW/4 of SE/4, S/2 of SE/4, Section 13-T26S-R32E, being 280 acres; and NE/4, N/2 of SE/4, Section 24-T26S-R32E, being 240 acres)

Owner	WI	Net Acres	Status
Chevron U.S.A. Inc. 1400 Smith Street Houston, TX 77002	<u>100%</u>	<u>520</u>	<u>Committed</u>
Total:	100.00%	520	

Tract 2 Ownership (S/2 of SE/4, Section 24-T26S-R32E, being 80 acres)

Owner	WI	Net Acres	Status
Chevron U.S.A. Inc. 1400 Smith Street Houston, TX 77002	100.00%	80	Committed
Total:	100.00%	80	

Exhibit C-3

Tract 3 Ownership (NE/4 of SE/4, Section 13-T26S-R32E, being 40 acres)

Owner	WI	Net Acres	Status
Chevron U.S.A. Inc. 1400 Smith Street Houston, TX 77002	91.25%	36.5	Committed
Atlas OBO Energy, LP 1900 St. James Pl., Ste. 800 Houston, TX 77056	7.5%	3	Uncommitted
Royalty Clearinghouse 2003, LLC 201 W. 5 th Street, Suite 1350 Austin, TX 78701			
	<u>1.25%</u>	<u>0.5</u>	<u>Uncommitted</u>
Total:	100.00%	40	

Overriding Royalty Interest seeking to Compulsory Pool:**ORRI Owners (Tract 1)**

None

ORRI Owners (Tract 2)

Sandi Miller
17 Riverside Dr.
Roswell, NM 88201

Scot C. Miller
10048 Oak Knoll Terrace
Colorado Springs, CO 80920

Miller Family Mineral Interests, LLC
8311 Snoqualmie Dr.
Pasco, WA 99301

Harding University
915 E. Market Ave.
Searcy, AR 72149

Frost National Bank, Trustee
P.O. Box 1600
San Antonio, TX 78296

Exhibit C-3

ORRI Owners (Tract 3)

BTA Oil Producers, LLC
104 S. Pecos
Midland, TX 79701

Kaiser-Francis Oil Company
6733 S. Yale Ave.
Tulsa, OK 74136

Chevron U.S.A. Inc.
1400 Smith St.
Houston, TX 77002

Fortis Minerals II, LLC
P.O. Box 470788
Fort Worth, TX 76147

L and J Sumruld, LTD
1825 Sylvan Dr.
Abilene, TX 79605

Dragoon Creek Minerals, LLC
2821 W. 7th St., Ste. 515
Fort Worth, TX 76107

Pegasus Resources NM, LLC
P.O. Box 470698
Fort Worth, TX 76147

McMullen Minerals, LLC
2821 W. 7th St., Ste. 515
Fort Worth, TX 76107

Pegasus Resources, LLC
2821 W. 7th St., Ste. 500
Fort Worth, TX 76107

Mustang Oil & Gas, LLC
P.O. Box 412
Roswell, NM 88202-0412

Exhibit C-3

Wolfcamp Title, LLC
P.O. Box 2423
Roswell, NM 88202-2423

Monty D. McLane
Karen R. McLane
P.O. Box 9451
Midland, TX 79708

Alan Jochimsen
4209 Cardinal Lane
Midland, TX 79707

States Royalty Limited Partnership
P.O. Box 911
Breckenridge, TX 76424

Thomas J. Depke and Marilyn A. Depke, Trustees
U/I of Thomas J. Depke, dated 11/19/2004
2027 Country Field Dr.
Chesterfield, MO 63017

Elizabeth Trudeau Overly
11410 Shadow Way St.
Houston, TX 77024

BPL Fish Pond, LLC
P.O. Box 92032
Southlake, TX 76092

Millis Jeffery Oakes
21302 Castlemont Lane
Spring, TX 77388

Stephen William Oakes
4700 Spanish Moss
McKinney, TX 75070

Elizabeth Ann Cline
15400 Whistling Straits
Austin, TX 78717

Benjamin Jacob Oakes
3214 Hickory Grove Lane

Exhibit C-3

Pearland, TX 77584
Matthew David Oakes
116 N. Johnson Ave.
San Marcos, TX 78666

Olin Brent Dalton
335 Granite Row
Marble Falls, TX 78654

David Trent Dalton
1025 Bald Eagle Dr.
Nolanville, TX 76559

Milton R. Fry
11014 Hidden Bend Dr.
Houston, TX 77064

YMC Royalty Company, LP
P.O. Box 681062
Houston, TX 77268

Unit Recapitulation – Wolfcamp – 640 AC
SD 24 13 FED P416

E/2 of Sections 13 and Section 24, T26S, R32E, Lea County, New Mexico, Wolfcamp Formation

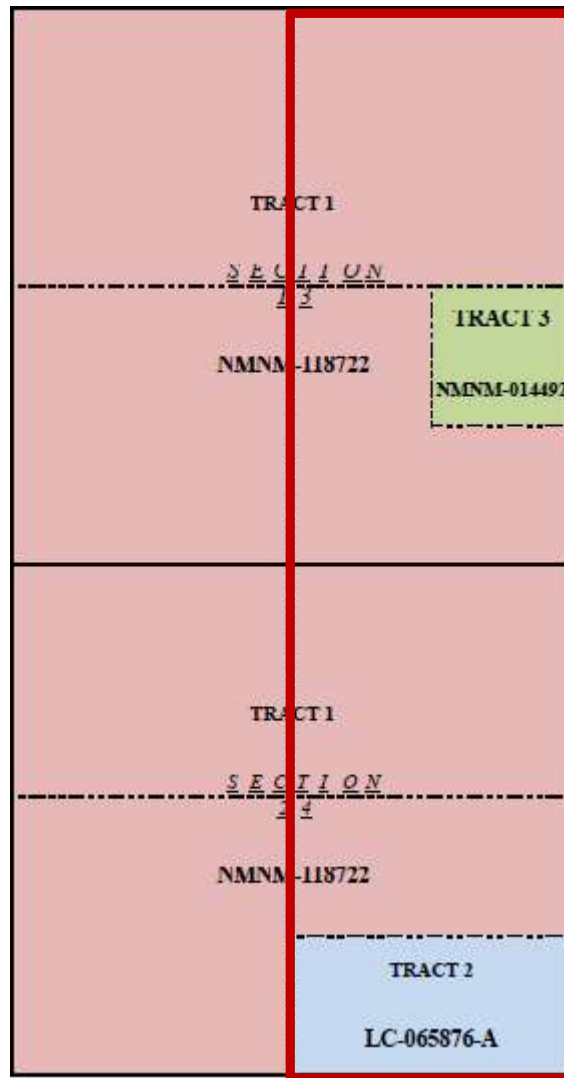
Owner	Unit WI
Chevron U.S.A. Inc.	99.453125%
Atlas OBO Energy LP	0.46875%
Royalty Clearinghouse 2003, LLC	0.078125%
Total	100.0000%

Exhibit C-3

Land/Mineral Plat

SD 24 13 FED P416 19H

E/2 of Section 13 and Section 24, T26S, R32E, Lea County, New Mexico, Wolfcamp Formation, 640 acres,
Delaware Basin



17812485_v1



Gregg Pazer
Land Representative

Chevron U.S.A. Inc.
1400 Smith Street
Houston, Texas 77002
412-592-8964
gpazer@chevron.com

VIA CERTIFIED MAIL – RETURN RECEIPT REQUESTED

July 27, 2021

Atlas OBO Energy, LP
1900 St. James Pl., Ste. 800
Houston, TX 77056

**RE: Proposal To Drill
SD 24 13 FED P416 19H
E/2 of E/2 Sections 13 and 24, T26S-R32E
Lea County, New Mexico**

Dear Working Interest Owner:

Chevron U.S.A. Inc. ("Chevron") hereby proposes to drill the following well located in the E/2 of E/2 of Sections 13 and 24, Township 26 South, Range 32 East, Lea County, New Mexico, to be drilled from one surface pad location.

The intended surface hole location (SHL) and bottom hole location (BHL) for the well is as follows:

SD 24 13 FED P416 19H
SHL: 248' FSL & 2,155' FEL Sec. 24
BHL: 25' FNL & 690' FEL Sec. 13
Formation: Wolfcamp
MD: 20,500'

The well is proposed to be drilled vertically to a depth of approximately 12,130' and horizontally in a northern direction to the referenced bottom hole location. Total measured depth of the wells is proposed to be approximately 20,500' from surface to terminus. Please note that compliance with topography, cultural, and/or environmental concerns, among others, may require modifications to Chevron's intended procedure and/or location.

Enclosed are documents for your review and execution. Please see the detailed AFE for the well, reflecting estimated costs that will be incurred to drill, complete, and equip the well associated with this proposal. If you intend to participate, please execute in the appropriate box on the AFE, and return to the undersigned within 30 days of receipt of this proposal. The AFE represents an estimated cost and is subject to change once wells are drilled/completed and actual costs are incurred. Parties electing to participate are responsible for their proportionate share of actual costs. Failure to respond within 30 days of receipt will be deemed an election not to participate in the proposed wells.

Also enclosed is an A.A.P.L. Form 610 – 1989 Model Form Operating Agreement with applicable Exhibits. Should you elect to participate in the well, your execution of the JOA is required. Please execute in the appropriate lines, notarize, and return to the undersigned within 30 days of receipt of this proposal.

Your interest can be found on the AFE and Exhibit A to the proposed Operating Agreement. Please note that this interest is subject to change pending further title verification.

Please send an electronic copy of all executed documents to gpazer@chevron.com to ensure timely receipt. Originals can be sent to:

**Chevron U.S.A. Inc.
Attn: Gregg Pazer
1400 Smith St.
Houston, TX 77002**

Please note that Chevron is open to discuss possible trades, assignments, etc. of your interest in the subject acreage. Should you be interested or have any questions, please feel free to contact me.

Sincerely,

Gregg Pazer
Land Representative

Enclosures

From: [Pazer, Gregg](#)
To: ["Yousuf Chaudhary"](#)
Cc: ["obo"; "tony@atlasoperating.com"](#)
Subject: UPDATE: New Chevron Well Proposals and JOA- SD 24 13 FED P416; Lea Co., NM
Date: Thursday, October 28, 2021 5:50:00 PM
Attachments: [AFE_SD_P416_17H-19H.pdf](#)
[SD_24_13_P416 - JOA \(Revised\).pdf](#)

Mr. Chaudhary,

By now you should have received notice of an Application for Force Pooling filed on behalf of Chevron. Upon further evaluation, Chevron decided to postpone the FP hearing until December, the reason being that Chevron is hereby modifying its original well proposal to include the entire E/2 of Sections 13 and 24 in T26S, R32E, Lea County, NM. This revised proposal includes an expanded contract area and three (3) wells to be drilled in the Wolfcamp formation. Further details are below:

Contract Area: 640 acres, being the E/2 of Sections 13 and 24, T26S, R32E, Lea County, NM

Proposed Wells:

1. SD 24 13 FED P416 17H
API# 30-025-47303
Formation: Wolfcamp
2. SD 24 13 FED P416 18H
API# 30-025-47311
Formation: Wolfcamp
3. SD 24 13 fed P416 19H
API# 30-025-47312
Formation: Wolfcamp

This change is designed to improve well spacing and ultimate recovery from the reservoir. A new JOA with exhibits is attached along with AFEs for the three wells indicated above. This new JOA/AFEs replace the ones previously provided. Should Atlas decide to participate in this amended proposal, please sign and return the attached AFEs and JOA. Chevron intends to proceed with a Force Pooling application under these new terms unless there is 100% participation from all working interest owners.

If you have any questions, please don't hesitate to reach out.

Thank you,

Gregg Pazer
Land Representative
gpazer@chevron.com

Chevron North America Exploration and Production Company
a division of Chevron U.S.A. Inc.
M: 412-592-8964

From: Pazer, Gregg
Sent: Monday, September 20, 2021 12:05 PM
To: 'Yousuf Chaudhary' <Yousuf@atlasoperating.com>
Cc: 'obo' <obo@atlasoperating.com>
Subject: RE: Signed AFE- Chevron Well Proposal: SD 24 13 FED P416 19H; Lea Co., NM

Mr. Chaudhary,

I wanted to provide you with an update on our search for potential trade candidates for Atlas's interest in the NE/4 of SE/4 of Section 13 , T26S-R32E, Lea County, New Mexico. Unfortunately, my counterparts in TX weren't able to identify any TX assets that would make a suitable candidate for a trade in this situation. If there's anything that you've been able to identify as a possibility, we're happy to take a look.

As our plans to spud the 19H well are still on schedule for early 2022, now would be a good time to talk about the JOA I sent over in my prior email. Do you have any questions or concerns regarding it?

If you'd like to discuss any of this over the phone, just let me know and we can set up a time.

Regards,

Gregg Pazer
Land Representative
gpazer@chevron.com
T: 412-592-8964

From: Pazer, Gregg
Sent: Tuesday, August 31, 2021 4:14 PM
To: Yousuf Chaudhary <Yousuf@atlasoperating.com>
Cc: obo <obo@atlasoperating.com>
Subject: RE: Signed AFE- Chevron Well Proposal: SD 24 13 FED P416 19H; Lea Co., NM

Mr. Chaudhary,

I wanted to let you know that I've reached out to my counterparts working our TX assets to see what assets we could potentially trade. I'll be in touch once I know more.

Also, as a follow up on my comments from our phone call concerning the existing wells in the proposed contract area for the 19H, there are two producing Bone Spring wells (6H and 7H) there that were drilled under the attached pooling order. I've attached a copy for your reference.

Lastly, I've included a copy of our standard JOA form covering the 19H well. This is the same JOA

referenced in the cover letter that was sent to you. In the event that a trade doesn't work out, we'll need to have all the parties sign a JOA.

Regards,

Gregg Pazer
Land Representative
gpazer@chevron.com
T: 412-592-8964

From: Yousuf Chaudhary <Yousuf@atlasoperating.com>
Sent: Thursday, August 26, 2021 9:12 AM
To: Pazer, Gregg <gpazer@chevron.com>
Cc: obo <obo@atlasoperating.com>
Subject: [**EXTERNAL**] Signed AFE- Chevron Well Proposal: SD 24 13 FED P416 19H; Lea Co., NM

Mr. Pazer, it was great talking to you this morning and going over the plans that Chevron has in New Mexico and it sounds like ya'll have some great things going over there.

Per our discussion, I am sending back a signed election form for Atlas OBO Energy LP to participate in the referenced well, attached you'll find the appropriate documents.

Based on our discussion, we are going to explore a potential WI exchange for some current Chevron operated properties in Texas but in the meantime, I wanted to make sure you had our formal election on file.

Looking forward to discussing in the near future regarding the potential swaps.

YC

From: Pazer, Gregg <gpazer@chevron.com>
Sent: Wednesday, August 25, 2021 12:35 PM
To: Yousuf Chaudhary <Yousuf@atlasoperating.com>
Subject: Chevron Well Proposal: SD 24 13 FED P416 19H; Lea Co., NM

Dear Mr. Chaudhary:

My name is Gregg Pazer and I am a Landman with Chevron. I'm writing to follow up on a well proposal/AFE/JOA that was mailed to Atlas OBO Energy, LP last month. The proposal was for a well to be drilled in the E/2 of E/2 of Sections 13 and 24, T26S-R32E, Lea County, New Mexico (the SD 24 13 FED P416 19H well). The 30 day response deadline is approaching and I'm hoping that you can advise whether Atlas OBO Energy, LP intends to participate or not.

Our records indicate that Atlas OBO Energy, LP owns a 0.9375% operating interest in the proposed well (note that there was a typo on the prior AFE. A corrected AFE is attached). We are also open to discussing possible trades, assignments, etc. of your interest if that is something that interests you.

If there is another person within your company that I should direct my questions to, please let me know.

Thank you for your time and I look forward to hearing from you.

Sincerely,

Gregg Pazer
Land Representative
gpazer@chevron.com

Chevron North America Exploration and Production Company
a division of Chevron U.S.A. Inc.
412-592-8964

From: [Pazer, Gregg](#)
To: [Chris Ford](#)
Subject: UPDATE: AFE/JOA for SD 24 13 FED P416 - Lea, NM - Royalty Clearinghouse 2003, LLC
Date: Thursday, October 28, 2021 5:39:00 PM
Attachments: [image002.png](#)
[image004.png](#)
[SD 24 13 P416 - JOA \(Revised\).pdf](#)
[AFE SD P416 17H-19H.pdf](#)

Chris,

Regarding the Application for Force Pooling that you received on behalf of Chevron, upon further evaluation Chevron decided to postpone the FP hearing until December, the reason being that Chevron is modifying its original well proposal to include the entire E/2 of Sections 13 and 24 in T26S, R32E, Lea County, NM. This revised proposal includes a total three (3) wells to be drilled in the Wolfcamp formation. Further details are below:

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API# 30-025-47312
Formation: Wolfcamp

This change is designed to improve well spacing and ultimate recovery from the reservoir. A new JOA with exhibits is attached along with AFEs for the three wells indicated above. This new JOA/AFEs replace the ones previously provided and which RC2003 elected to participate in. Should RC2003 decided to participate in this amended proposal, please sign and return the attached AFEs and JOA. Chevron intends to proceed with its Force Pooling application unless there is 100% participation from all working interest owners.

If you have any questions, please don't hesitate to reach out.

Thanks,

Gregg Pazer
Land Representative
gpazer@chevron.com

Chevron North America Exploration and Production Company
a division of Chevron U.S.A. Inc.
M: 412-592-8964

From: Pazer, Gregg

Sent: Wednesday, October 20, 2021 9:22 AM

To: Chris Ford <chrisford@royaltyclearinghouse.com>

Subject: RE: AFE/JOA for SD 24 13 FED P416 19H - Lea, NM - Royalty Clearinghouse 2003, LLC

Thanks Chris. Yes, I did receive the AFE/JOA. I believe I have what I need right now, if anything changes, I'll be in touch.

Gregg Pazer

Land Representative

gpazer@chevron.com

Chevron North America Exploration and Production Company

a division of Chevron U.S.A. Inc.

M: 412-592-8964

From: Chris Ford <chrisford@royaltyclearinghouse.com>

Sent: Wednesday, October 20, 2021 9:17 AM

To: Pazer, Gregg <gpazer@chevron.com>

Subject: [**EXTERNAL**] RE: AFE/JOA for SD 24 13 FED P416 19H - Lea, NM - Royalty Clearinghouse 2003, LLC

Gregg,

I received the attached Application for Compulsory Pooling. I got an auto-reply back from you when I sent that executed AFE/JOA in, so just want to confirm you received it and there's no further action needed on my part?

Thanks,

Chris Ford

Land Manager



[201 West 5th Street, Suite 1350](#)

[Austin, TX 78701](#)

(512) 458-4545 x 129 –Phone

(888) 593-4957– Direct Fax



From: Chris Ford

Sent: Tuesday, September 28, 2021 2:28 PM

To: Pazer, Gregg <gpazer@chevron.com>

Subject: RE: AFE/JOA for SD 24 13 FED P416 19H - Lea, NM - Royalty Clearinghouse 2003, LLC

Gregg,

Please find attached the executed AFE and JOA, covering our interest in and to the SD 24 13 FED P416 19H well in Lea County, NM.

The only change I had was on Page 27 of the JOA. Chevron had an old address for us, so I wrote in the correct address, being 201 West 5th Street, Suite 1350, Austin, Texas 78701.

Please let me know if there is any other information I can provide at this time.

Thanks,

Chris Ford

Land Manager



[201 West 5th Street, Suite 1350](#)

[Austin, TX 78701](#)

(512) 458-4545 x 129 –Phone

(888) 593-4957– Direct Fax



From: Chris Ford

Sent: Friday, September 24, 2021 10:30 AM

To: Pazer, Gregg <gpazer@chevron.com>

Subject: RE: AFE/JOA for SD 24 13 FED P416 19H - Lea, NM - Royalty Clearinghouse 2003, LLC

Sounds good. I should be able to have this wrapped up and sent over on Monday. I'll let you know if anything comes up.

Thanks,

Chris Ford

Land Manager



201 West 5th Street, Suite 1350

Austin, TX 78701

(512) 458-4545 x 129 –Phone

(888) 593-4957– Direct Fax



From: Pazer, Gregg <gpazer@chevron.com>

Sent: Thursday, September 23, 2021 9:44 AM

To: Chris Ford <chrisford@royaltyclearinghouse.com>

Subject: RE: AFE/JOA for SD 24 13 FED P416 19H - Lea, NM - Royalty Clearinghouse 2003, LLC

Chris,

I believe the 30 day period for electing and signing the JOA ends on September 28. If we have 100% of the parties signed on to a JOA by then, we can avoid compulsory pooling with the NMOCD. If we don't have everyone signed, we will pursue CP until either all parties sign a JOA or a CP Order is issued.

Thanks,

Gregg

From: Chris Ford <chrisford@royaltyclearinghouse.com>

Sent: Wednesday, September 22, 2021 10:19 AM

To: Pazer, Gregg <gpazer@chevron.com>

Subject: [**EXTERNAL**] RE: AFE/JOA for SD 24 13 FED P416 19H - Lea, NM - Royalty Clearinghouse 2003, LLC

Gregg,

I apologize for the delay. I'm sure we're getting close to a deadline, so can you tell me when we need to have an answer for you? We have every intention of participating, but just need to finish reviewing the JOA.

Chris Ford

Land Manager



201 West 5th Street, Suite 1350

Austin, TX 78701

(512) 458-4545 x 129 –Phone

(888) 593-4957– Direct Fax



From: Chris Ford

Sent: Wednesday, September 15, 2021 4:01 PM

To: Pazer, Gregg <gpazer@chevron.com>

Subject: RE: AFE/JOA for SD 24 13 FED P416 19H - Lea, NM - Royalty Clearinghouse 2003, LLC

Gregg,

I am actually reviewing the JOA right now. I need to get confirmation from our owners, but I'm pretty sure we will be participating. I'm hoping to have the executed AFE over to you before the end of the week.

Thanks,

Chris Ford

Land Manager



201 West 5th Street, Suite 1350

Austin, TX 78701

(512) 458-4545 x 129 –Phone

(888) 593-4957– Direct Fax



From: Pazer, Gregg <gpazer@chevron.com>

Sent: Wednesday, September 15, 2021 3:55 PM

To: Chris Ford <chrisford@royaltyclearinghouse.com>

Subject: RE: AFE/JOA for SD 24 13 FED P416 19H - Lea, NM - Royalty Clearinghouse 2003, LLC

Chris,

Just checking in to see if you had any further questions regarding the proposed JOA. I was also wondering if you could give me any indication of RC2003's intention to participate.

Thanks,

Gregg Pazer
Land Representative
gpazer@chevron.com

Chevron North America Exploration and Production Company
a division of Chevron U.S.A. Inc.
M: 412-592-8964

From: Pazer, Gregg
Sent: Monday, August 30, 2021 12:52 PM
To: Chris Ford <chrisford@royaltyclearinghouse.com>
Subject: RE: AFE/JOA for SD 24 13 FED P416 19H - Lea, NM - Royalty Clearinghouse 2003, LLC

Chris,

Yes, our title research shows that RC2003's interest came from DGQ Passive Income Partners 1987.

We're showing RC2003 as having operating rights in lease NMNM 014492, which covers the 40 acre subsection in the NE/4 of SE/4 of Section 13. Since the proposed JOA covers only the E/2 of E/2 of sections 13 and 24, the 19H is the only upper Wolfcamp well that falls within the JOA contract area. You may be looking at older permits which indicate other wells within the contract area, but the current plan is for only one Upper Wolfcamp well in that specific area. So the AFE for the 19H is the only one related to this JOA.

If you have any other questions, feel free to reach out.

Thanks,

Gregg Pazer
Land Representative
gpazer@chevron.com

Chevron North America Exploration and Production Company
a division of Chevron U.S.A. Inc.
M: 412-592-8964

From: Chris Ford <chrisford@royaltyclearinghouse.com>
Sent: Monday, August 30, 2021 12:08 PM
To: Pazer, Gregg <gpazer@chevron.com>
Subject: [**EXTERNAL**] RE: AFE/JOA for SD 24 13 FED P416 19H - Lea, NM - Royalty Clearinghouse 2003, LLC

Gregg,

Also, is it safe to assume that we should expect additional AFEs for the 17H, 18H and 20H wells in the near future? If you can provide a little more color on the upcoming drilling plan for this lease, that would help me when discussing this with the owners.

Thanks,

Chris Ford
Land Manager



[201 West 5th Street, Suite 1350](#)
[Austin, TX 78701](#)
(512) 458-4545 x 129 –Phone
(888) 593-4957– Direct Fax



From: Chris Ford
Sent: Monday, August 30, 2021 11:56 AM
To: gpazer@chevron.com
Subject: AFE/JOA for SD 24 13 FED P416 19H - Lea, NM - Royalty Clearinghouse 2003, LLC

Gregg,

I am in receipt of the attached AFE/JOA for the SD 24 13 FED P416 19H well in Lea County, NM. While I review the JOA, can you please confirm who Royalty Clearinghouse 2003, LLC ("LLC") acquired this interest from? I'm assuming it was DGQ Passive Income Partners, but just want to make sure.

Thanks,
Chris Ford
Land Manager



201 West 5th Street, Suite 1350

Austin, TX 78701

(512) 458-4545 x 129 –Phone

(888) 593-4957– Direct Fax



Chevron U.S.A. Inc. - Operator					
County, State Lea, NM		Field Delaware Basin	Well Name: SD Pad 416 17H		
Area Salado Draw		Objective WCA	Duration (days) 18		
API 30-025-47303		SHL Location Sec 24; T26S-R32E 248' FSL; 2205' FEL	BHL Location Sec 13: T26S-R32E 25' FNL; 2170' FEL	Depth MD: 20500'	
Drilling					
Cost Category		Code	Sub-code	Int/Tan	Amount (\$)
Rig Daywork	Rig Daywork	7440	0001	Int	\$ 764,381
Rig Daywork	Rig Daywork	7440	0001	Int	\$ 20,468
Company Labor	Company Labor	6601	0100	Int	\$ 145,543
Contract Labor	Contract Labor	7000	0200	Int	\$ 31,032
Fuel & Utilities	Fuel & Utilities	7129	0100	Int	\$ 136,635
Fuel & Utilities	Fuel & Utilities	7129	0300	Int	\$ 10,620
Drilling & Completion Fluids	Drilling & Completion Fluids	7190	1900	Int	\$ 279,159
Materials, Supplies, & Parts	Materials, Supplies, & Parts	7190	0500	Int	\$ 39,444
Transportation	Transportation	7340	0300	Int	\$ 194,978
Directional Survey	Directional Survey	7440	0006	Int	\$ 451,131
Drill String & Drill Bits	Drill String & Drill Bits	7440	0007	Int	\$ 250,836
Equipment Rentals	Equipment Rentals	7230	0100	Int	\$ 263,715
Well Services	Well Services	7230	0200	Int	\$ 208,205
Solid Waste Disposal	Solid Waste Disposal	7420	0300	Int	\$ 101,127
Logging - Mud	Logging - Mud	7440	0021	Int	\$ 18,280
Casing	Casing	7190	0022	Tan	\$ 1,186,045
Wellheads & Trees	Wellheads & Trees	7190	0110	Tan	\$ 43,724
Cement & Cementing	Cement & Cementing	7440	0024	Int	\$ 239,511
Sitework / Roads / Location	Sitework / Roads / Location	7450	0021	Int	\$ 18,165
Completions					
Rigs	Workover Rigs			Int	\$ 18,000
Rigs	Snubbing Rigs			Int	\$ 157,500
100	Company Labor			Int	\$ 95,557
Industrial Services	Safety Services			Int	\$ 126,911
Fuel	Fuel			Int	\$ 214,419
Water	Frac Water			Tan	\$ 1,013,181
Well Construction Services	Pressure Control Equipment			Int	\$ 214,419
Well Construction Services	Downhole Rental Tools - Drill String and BHA			Int	\$ 645,233
Well Construction Commodities	Drill Bits and Reamers			Int	\$ 75,559
Well Construction Services	Pressure Pumping - Stimulation and Sand Control			Int	\$ 1,517,543
Well Construction Services	Pressure Pumping - Stimulation and Sand Control			Int	\$ 1,006,471
Well Construction Services	D and C Misc Surface Rentals and Services			Int	\$ 190,182
Well Construction Services	Coiled Tubing			Int	\$ 268,344
Well Construction Services	Wireline - Cased Hole			Int	\$ 54,184
Well Construction Services	Wireline - Cased Hole			Int	\$ 315,862
Well Construction Commodities	OCTG			Tan	\$ 240,000
Well Construction Services	Completions Equipment and Installation Services			Int	\$ 91,368
Well Construction Commodities	Surface Wellheads and Production Trees			Tan	\$ 41,461
Oilfield O and M Services	Oilfield Site Prep and Maintenance Services			Int	\$ 1,332
Facilities					
Wellpad, Wellhead Hookup, Flowlines & Electrical				Tan	\$ 598,128
				Int	\$ 489,378
Total					\$ 11,778,032
Participation & Authorization			Share (%)	Amount (\$)	
Chevron U.S.A. Inc.			99.45312500%	\$11,713,621	
Atlas OBO Energy, LP			0.46875000%	\$55,210	
Royalty Clearinghouse 2003, LLC			0.07812500%	\$9,202	
Approved by (Print Name)			Approved by (Signature)		
Entity (Print Name)			Date		

Chevron U.S.A. Inc. - Operator					
County, State Lea, NM		Field Delaware Basin		Well Name: SD Pad 416 18H	
Area Salado Draw		Objective WCA		Duration (days) 18	
API 30-025-47311		SHL Location Sec 24: T26S-R32E 248' FSL; 2180' FEL		BHL Location Sec 13: T26S-R32E 25' FNL; 1430' FEL	
Depth MD: 20500'					
Drilling					
Cost Category		Code	Sub-code	Int/Tan	Amount (\$)
Rig Daywork	Rig Daywork	7440	0001	Int	\$ 764,381
Rig Daywork	Rig Daywork	7440	0001	Int	\$ 20,468
Company Labor	Company Labor	6601	0100	Int	\$ 145,543
Contract Labor	Contract Labor	7000	0200	Int	\$ 31,032
Fuel & Utilities	Fuel & Utilities	7129	0100	Int	\$ 136,635
Fuel & Utilities	Fuel & Utilities	7129	0300	Int	\$ 10,620
Drilling & Completion Fluids	Drilling & Completion Fluids	7190	1900	Int	\$ 279,159
Materials, Supplies, & Parts	Materials, Supplies, & Parts	7190	0500	Int	\$ 39,444
Transportation	Transportation	7340	0300	Int	\$ 194,978
Directional Survey	Directional Survey	7440	0006	Int	\$ 451,131
Drill String & Drill Bits	Drill String & Drill Bits	7440	0007	Int	\$ 250,836
Equipment Rentals	Equipment Rentals	7230	0100	Int	\$ 263,715
Well Services	Well Services	7230	0200	Int	\$ 208,205
Solid Waste Disposal	Solid Waste Disposal	7420	0300	Int	\$ 101,127
Logging - Mud	Logging - Mud	7440	0021	Int	\$ 18,280
Casing	Casing	7190	0022	Tan	\$ 1,186,045
Wellheads & Trees	Wellheads & Trees	7190	0110	Tan	\$ 43,724
Cement & Cementing	Cement & Cementing	7440	0024	Int	\$ 239,511
Sitework / Roads / Location	Sitework / Roads / Location	7450	0021	Int	\$ 18,165
Completions					
Rigs	Workover Rigs			Int	\$ 18,000
Rigs	Snubbing Rigs			Int	\$ 157,500
100	Company Labor			Int	\$ 95,557
Industrial Services	Safety Services			Int	\$ 126,911
Fuel	Fuel			Int	\$ 214,419
Water	Frac Water			Tan	\$ 1,013,181
Well Construction Services	Pressure Control Equipment			Int	\$ 214,419
Well Construction Services	Downhole Rental Tools - Drill String and BHA			Int	\$ 645,233
Well Construction Commodities	Drill Bits and Reamers			Int	\$ 75,559
Well Construction Services	Pressure Pumping - Stimulation and Sand Control			Int	\$ 1,517,543
Well Construction Services	Pressure Pumping - Stimulation and Sand Control			Int	\$ 1,006,471
Well Construction Services	D and C Misc Surface Rentals and Services			Int	\$ 190,182
Well Construction Services	Coiled Tubing			Int	\$ 268,344
Well Construction Services	Wireline - Cased Hole			Int	\$ 54,184
Well Construction Services	Wireline - Cased Hole			Int	\$ 315,862
Well Construction Commodities	OCTG			Tan	\$ 240,000
Well Construction Services	Completions Equipment and Installation Services			Int	\$ 91,368
Well Construction Commodities	Surface Wellheads and Production Trees			Tan	\$ 41,461
Oilfield O and M Services	Oilfield Site Prep and Maintenance Services			Int	\$ 1,332
Facilities					
Wellpad, Wellhead Hookup, Flowlines & Electrical				Tan	\$ 598,128
				Int	\$ 489,378
Total					\$ 11,778,032
Participation & Authorization					
Chevron U.S.A. Inc.			Share (%)		Amount (\$)
Chevron U.S.A. Inc.			99.45312500%		\$11,713,621
Atlas OBO Energy, LP			0.46875000%		\$55,210
Royalty Clearinghouse 2003, LLC			0.07812500%		\$9,202
Approved by (Print Name)			Approved by (Signature)		
Entity (Print Name)			Date		

Chevron U.S.A. Inc. - Operator					
County, State Lea, NM		Field Delaware Basin	Well Name: SD Pad 416 19H		
Area Salado Draw		Objective WCA	Duration (days) 18		
API 30-025-47312		SHL Location Sec 24: T26S-R32E 248' FSL; 2155' FEL	BHL Location Sec 13: T26S-R32E 25' FNL; 690' FEL	Depth MD: 20500'	
Drilling					
Cost Category		Code	Sub-code	Int/Tan	Amount (\$)
Rig Daywork	Rig Daywork	7440	0001	Int	\$ 764,381
Rig Daywork	Rig Daywork	7440	0001	Int	\$ 20,468
Company Labor	Company Labor	6601	0100	Int	\$ 145,543
Contract Labor	Contract Labor	7000	0200	Int	\$ 31,032
Fuel & Utilities	Fuel & Utilities	7129	0100	Int	\$ 136,635
Fuel & Utilities	Fuel & Utilities	7129	0300	Int	\$ 10,620
Drilling & Completion Fluids	Drilling & Completion Fluids	7190	1900	Int	\$ 279,159
Materials, Supplies, & Parts	Materials, Supplies, & Parts	7190	0500	Int	\$ 39,444
Transportation	Transportation	7340	0300	Int	\$ 194,978
Directional Survey	Directional Survey	7440	0006	Int	\$ 451,131
Drill String & Drill Bits	Drill String & Drill Bits	7440	0007	Int	\$ 250,836
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Well Services	Well Services	7230	0200	Int	\$ 208,205
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Logging - Mud	Logging - Mud	7440	0021	Int	\$ 18,280
Casing	Casing	7190	0022	Tan	\$ 1,186,045
Wellheads & Trees	Wellheads & Trees	7190	0110	Tan	\$ 43,724
Cement & Cementing	Cement & Cementing	7440	0024	Int	\$ 239,511
Sitework / Roads / Location	Sitework / Roads / Location	7450	0021	Int	\$ 18,165
Completions					
Rigs	Workover Rigs			Int	\$ 18,000
Rigs	Snubbing Rigs			Int	\$ 157,500
100	Company Labor			Int	\$ 95,557
Industrial Services	Safety Services			Int	\$ 126,911
Fuel	Fuel			Int	\$ 214,419
Water	Frac Water			Tan	\$ 1,013,181
Well Construction Services	Pressure Control Equipment			Int	\$ 214,419
Well Construction Services	Downhole Rental Tools - Drill String and BHA			Int	\$ 645,233
Well Construction Commodities	Drill Bits and Reamers			Int	\$ 75,559
Well Construction Services	Pressure Pumping - Stimulation and Sand Control			Int	\$ 1,517,543
Well Construction Services	Pressure Pumping - Stimulation and Sand Control			Int	\$ 1,006,471
Well Construction Services	D and C Misc Surface Rentals and Services			Int	\$ 190,182
Well Construction Services	Coiled Tubing			Int	\$ 268,344
Well Construction Services	Wireline - Cased Hole			Int	\$ 54,184
Well Construction Services	Wireline - Cased Hole			Int	\$ 315,862
Well Construction Commodities	OCTG			Tan	\$ 240,000
Well Construction Services	Completions Equipment and Installation Services			Int	\$ 91,368
Well Construction Commodities	Surface Wellheads and Production Trees			Tan	\$ 41,461
Oilfield O and M Services	Oilfield Site Prep and Maintenance Services			Int	\$ 1,332
Facilities					
Wellpad, Wellhead Hookup, Flowlines & Electrical				Tan	\$ 598,128
				Int	\$ 489,378
Total					\$ 11,778,032
Participation & Authorization			Share (%)	Amount (\$)	
Chevron U.S.A. Inc.			99.45312500%	\$11,713,621	
Atlas OBO Energy, LP			0.46875000%	\$55,210	
Royalty Clearinghouse 2003, LLC			0.07812500%	\$9,202	
Approved by (Print Name)			Approved by (Signature)		
Entity (Print Name)			Date		

Case No. 22352

Exhibit C-5

Chronology of Contacts between Chevron U.S.A. Inc., and the Working Interest Owners in

Case No. 22352

Atlas OBO Energy, LP

1. July 27, 2021: Mailed Well Proposal Letter, ballot AFEs and a proposed JOA from Chevron U.S.A. Inc. to Atlas OBO Energy, LP ("Atlas").
2. August 25, 2021: Emailed Yousuf Chaudhary of Atlas OBO Energy, LP asking if Atlas had any interest in participating in Chevron's proposal.
3. August 26, 2021: Phone call with Yousuf Chaudhary to discuss Well Proposal and discuss possible trade opportunities for Atlas's interest
4. August 26, 2021: Email from Yousuf Chaudhary containing signed AFE
5. August 31, 2021: Emailed Yousuf Chaudhary a digital copy of the proposed JOA and asked if Atlas had any questions or comments regarding the JOA.
6. September 20, 2021: Emailed Yousuf Chaudhary notifying him that Chevron did not have a suitable trade candidate for Atlas's interest and requested an update on Atlas's position regarding the Well Proposal/JOA.
7. October 28, 2021: Emailed Yousuf Chaudhary and Tony James a revised JOA/Well proposal.
8. November 4, 2021: Emailed Yousuf Chaudhary and Tony James asking if Atlas had any questions or comments regarding the revised JOA/Well proposal.
9. November 5, 2021: Phone call with Tony James to discuss JOA and Force Pool Application.
10. November 11, 2021: Phone call with Tony James. Tony agreed to prepare a list of requested changes to the JOA. Indicated that Atlas would not protest the Force Pool Application.
11. November 11, 2021: Received email from Tony James containing comments and requested changes to the JOA.

Royalty Clearinghouse 2003, LLC

1. July 27, 2021: Mailed Well Proposal Letter, ballot AFEs and a proposed JOA from Chevron U.S.A. Inc. to Royalty Clearinghouse 2003, LLC ("RC2003"). Proposal package returned as undeliverable/unable to forward.
2. August 25, 2021: Mailed second copy of Well Proposal Letter, ballot AFEs and a proposed JOA from Chevron U.S.A. Inc., to RC2003 using updated address.
3. August 30, 2021: Email from Chris Ford of RC2003 acknowledging receipt of the Well Proposal package and JOA. Requested information as to the title source of RC2003's interest
4. August 30, 2021: Email to Chris Ford providing answers to his questions.
5. September 15, 2021: Email to Chris Ford asking if he had questions regarding the JOA.
6. September 15, 2021: Email from Chris Ford saying that the JOA was under review.
7. September 22, 2021: Email from Chris Ford saying that that the JOA was still under review, but RC2003 intends to participate.
8. September 28, 2021: Email from Chris Ford containing a signed AFE and JOA.
9. October 28, 2021: Emailed Chris Ford a revised JOA/Well proposal.
10. November 4, 2021: Emailed Chris Ford asking if he had any questions regarding the revised JOA/Well proposal.
11. November 5, 2021: Email from Chris Ford saying that the revised JOA was under review.

**BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C5
Submitted by: Chevron USA Inc.
Hearing Date: December 2, 2021
Case No. 22352**

**STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION**

**APPLICATION OF CHEVRON U.S.A.
INC. FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.**

CASE NOS. 22352

AFFIDAVIT OF ALEXANDRA FLEMING

Alexandra Fleming, of lawful age and being first duly sworn, declares as follows:

1. My name is Alexandra Fleming. I work for Chevron USA Inc. ("Chevron") as a Geologist.
2. I have not previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum geology matters. **Chevron Exhibit D-1** is a copy of my resume reflecting my education and experience in petroleum geology matters. I seek to have my credentials accepted by the Division as an expert petroleum geologist.
3. I am familiar with the application filed by Chevron in this case, and I have conducted a geologic study of the lands in the subject area.
4. In this case, Chevron is targeting the Wolfcamp formation.
5. **Chevron Exhibit D-2** is a project location map outlining the sections comprising the proposed spacing unit, together with a gun barrel diagram of Chevron's development plans for the proposed initial wells and surrounding area.
6. **Chevron Exhibit D-3** is a subsea structure map that I prepared off the top of the Wolfcamp A Structure. Within Sections 13 and 24, there is a blue hatched line on the map that outlines the proposed spacing unit in this case. The contour interval is 50 feet. The structure map shows that the Wolfcamp is dipping gently to the east. The structure appears consistent in this

**BEFORE THE OIL CONSERVATION
DIVISION**

Santa Fe, New Mexico

Exhibit No. D

Submitted by: Chevron USA Inc.

Hearing Date: December 2, 2021

Case No. 22352

section. I do not observe any faulting, pinchouts, or other geologic hazards to developing a horizontal well.

7. **Chevron Exhibit D-4** is a map that shows the location of the wells that were used to construct cross-sections from north to south and from east to west. I consider these wells to be representative of the geology of the area.

8. **Chevron Exhibit D-5** is a stratigraphic cross section prepared by me for the four representative wells from north to south. The exhibit shows logs for gamma ray, resistivity, and porosity for the wells. The proposed targeted intervals for the wells are labeled and depicted with green dots. The logs in the cross-section demonstrate that the targeted interval, within the Wolfcamp A, is consistent in thickness and quality across the entire spacing unit.

9. **Chevron Exhibit D-6** is a stratigraphic cross section prepared by me for the two representative wells from east to west. The exhibit shows logs for gamma ray, resistivity, and porosity for the wells. The proposed target interval for the well is labeled and depicted with a green dot. The logs in the cross-section demonstrate that the targeted interval, within the Wolfcamp A, is consistent in thickness and quality across the entire spacing unit.

10. Based on my geologic study of the areas, I have not identified any geologic impediments to drilling horizontal wells in the area.

11. In my opinion, each tract comprising the proposed spacing unit will be productive and contribute more-or-less equally to production from the wellbore.

12. In my opinion, the stand-up orientation of the proposed well is the preferred orientation for horizontal well development in this area and is appropriate to efficiently and effectively develop the subject acreage.

13. In my opinion, the granting of Chevron's application in this case is in the best interest of conservation, the prevention of waste, and protection of correlative rights.

14. **Chevron Exhibits D-1 through D-6** were either prepared by me or compiled under my direction and supervision.

FURTHER AFFIANT SAYETH NOT.



ALEXANDRA FLEMING

STATE OF TEXAS)
)
COUNTY OF HARRIS)

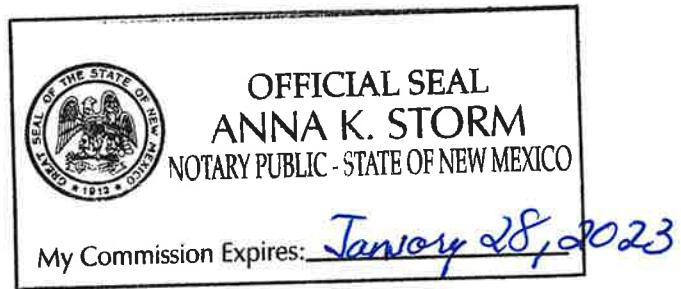
SUBSCRIBED and SWORN to before me this 29th day of November 2021 by
Alexandra Fleming.



NOTARY PUBLIC

My Commission Expires:

January 28, 2023



Alexandra E. Fleming

PROFESSIONAL EXPERIENCE

- Chevron Corporation • Houston, Texas** 2010 - present
- Unconventional Reservoir Machine Learning Modeler / Development Geologist* 2019 - present
- Lead asset geologist for executing a proprietary machine learning/data science application named ALICE (Artificial Learning Integrated Characterization Environment). Worked closely with cross-functional teams to understand, update, and execute ALICE workflow on multiple benches in the Delaware and Midland Basins to enable more robust Estimated Ultimate Recovery analysis of Permian assets.
 - Developed plans with clear goals by outlining 2019-2021 ALICE targets and guiding a team during formation of Governance Model, modeled after Subsurface Technical Review guidelines.
 - Championed relationships on Agile scrum-based workflow development as Product Owner for ALICE with key stakeholders with Microsoft and IBM.
 - Facilitated effective communication and displayed experience and tools by promoting digital competency and data QC of Machine Learning modeling within MCBU (Midcontinent Business Unit, Permian Basin) through presentations to multiple MCBU teams.
 - Grew capability by actively seeking out learning opportunities in data analytics, machine learning and digital advancement through internal and external (UT Austin) engagements.
 - Lead development geologist for Salado Draw Field (Delaware Basin) responsible for providing geologic interpretation and aligning with cross-functional team for planning of 85 horizontal wells
- Development Geologist, Deepwater Exploration and Projects, Gulf of Mexico (GOM)* 2015 - 2019
- Development geologist in the Gulf of Mexico, focusing on a Chevron-operated oil field through sub-salt seismic mapping, directional well planning, monitoring well operations, lookbacks for process improvement, and monitoring cost avoidance in formation evaluation programs.
 - Provided sub-salt, seismic field interpretation of faults/horizons using multiple seismic surveys to a depth of >30,000ft, in addition to updating oil water contact methodology dynamic simulation volumetric analysis.
 - Act as lead geologist for planning and executing three \$150MM wells; responsible for formation target location, formation evaluation program, subsalt through target formation interpretation (faults and tops) for real-time drilling operations.
 - Participate in planning and executing eight bypass wells due to equipment or geologic issues. Planning involved additional budget costs, plus additional time needed with integrated drilling team.
 - Presented to co-owners during funding requests and technical alignment meetings.
 - Championed effective communication at all levels of the organization by facilitated internal Subsurface reviews for funding phases of a Major Capital Project
- Exploration Earth Scientist/Stratigrapher, Gulf of Mexico (GOM)* 2012 - 2015
- Interpreted regional-scale seismic stratigraphic data for prospect generation and described whole rock and rotary sidewall cores for business strategy asset appraisal.
 - Delivered regional-scale seismic interpretation for generation of prospects in GOM and delivered detailed (cm-scale) analysis and presentation of ~1300' of whole-rock core from the deepwater GOM assets for robust geologic input into earth models and oil-in-place assessments.
 - Communicated effectively at all levels of organization by coordinating monthly Exploration Decision Review Board meetings
- Earth Scientist, Reservoir Management Technical Services Team* 2010 - 2012
- Conducted Remaining Resource Assessments (RRA) on multiple assets in varied basins around the world (operated and non-operated joint venture). Workflow utilized map-based integration of static and dynamic data (including all available surveillance data) analytical reservoir engineering techniques, and

Alexandra Fleming

Page | 2

analog data, leading to the development of a range of current net pay maps to assess incremental oil potential and additional development opportunities.

- Provided integrated reservoir assessments which characterized reservoirs using geology, geochemistry, and production information to complete deterministic and probabilistic modeling of original oil in place using the RRA workflow.

Whiting Petroleum • Denver, Colorado

2006 - 2009

Geologic Technician, Geoservices Team

- Assisted in geologic studies, including core analysis, geologic presentations, and database management (well updates, log scans, imports, and calibration) for U.S. regional teams.
- Provided core analysis, weekly well activity map generation, and Petra database management for U.S. regional teams. Formation studies included the Bakken (ND), Three Forks (ND), St. Peter (MI), Prairie du Chien (MI), and Mesaverde (CO).

Challenge Aspen • Aspen, Colorado

2005 - 2006

Full-time Intern Instructor

- Facilitated and taught one-on-one lessons for skiers with disabilities

Los Alamos National Laboratory • Los Alamos, New Mexico

2004 - 2005

Post-Baccalaureate Researcher, Water Quality and Hydrology group

- Conducted storm water sample collection, processing, and preservation
- Developed GPS training document for computer and field use of the GIS navigational software and GPS field collection unit

EDUCATION

Colorado School of Mines • Golden, Colorado

2009 - 2010

Chevron Center of Research Excellence, Department of Geology and Geological Engineering

- MSc Thesis "Stratigraphic Architecture of Non-channelized (Lobe) Strata in a Submarine Fan Setting, Point Loma Formation, California"

Field Work

- Stratigraphic architecture, Point Loma Formation, California, 2009-2010
- Geology and stratigraphy of ash layers, Laetoli, Tanzania, Africa, 2007

Dartmouth College • Hanover, New Hampshire

2001 - 2005

- B.A. in Environmental Earth Science with Honors and B.A. in Italian Literature and Language
- Graduated Magna Cum Laude
- Senior honors thesis "Quantifying Fine Sediment: A Methodological Comparison in the Northeast and Southwest United States"

Field Work

- Fluvial geomorphology honors thesis field study of Vermont, New Hampshire, Massachusetts, New Mexico (Los Alamos National Laboratory), 2004 - 2005
- Three month intensive Earth Science Theory and Application Program through Montana, Wyoming, Utah, Arizona, and California, 2003

SOFTWARE, PROFICIENCIES, AND SPOKEN LANGUAGE SKILLS

Software

- Petrel, Petra, executing data analytics and machine learning workflows, Jupyter Notebook operation, simple Python code, ArcGIS, Spotfire, Agile Scrum-based workflow development with Microsoft, EPOS Suite, Openworks, Neuralog, Neurascanner, PowerLog, Adobe Creative Suite, CorelDraw, Microsoft Word, Excel, PowerPoint, Spotfire, ArcView, GPS
- Oil and Gas Commission online resources for ND, MI, WY, CO, TX, and UT

Proficiencies

- Horizontal wells landing strategies for unconventional reservoirs, field-scale seismic interpretation, deepwater directional well planning, monitoring real-time well operations, cross-functional teamwork with an Integrated Drilling Team, whole rock and sidewall core description and

Alexandra Fleming

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interpretation, deepwater elastic stratigraphy, work in multiple basins/assets, work-scope development, integrating relevant static and dynamic data, fit-for-purpose assessments

Spoken Language

- Fluent in English
- Fluent in Italian
- Competent in French

PROFESSIONAL DEVELOPMENT, PRESENTATIONS, AND HONORS

Professional Development:

- Professional Geologist (PG), License Number PG-4127, State of Wyoming Board of Professional Geologists (license acquired in 2019)
- Member of the Chevron MCBU Technical Advancement Champions (TAC) Team, *2020 - present*
- Patent Awarded 2015: Champenoy, N., Fleming, A., US20150051838A1, System and Method of Determining and Optimizing Waterflood Performance
- Participant in Chevron Leadership Forum (CLF), Chevron, *2019*
- Participant in Emerging Leaders Program (ELP), Chevron, *2015*
- Co-led 15+ core workshops. Workshops included 20+ participants of leaders and technical staff. Topics covered included explanations of deepwater systems, whole rock cores, and business context
- Co-led 6 Chevron field workshops to the Point Loma Formation, California (two in collaboration with UT Austin and Colorado School of Mines stratigraphy courses), *2011-2018*
- Chevron Center of Research Excellence Research Assistant, Colorado School of Mines, *2009-10*
- Certified Professional Ski Instructors of America (PSIA) Level 1 ski instructor plus adaptive specialty in cognitive and visual impairments, *2006*

Presentations and Publications:

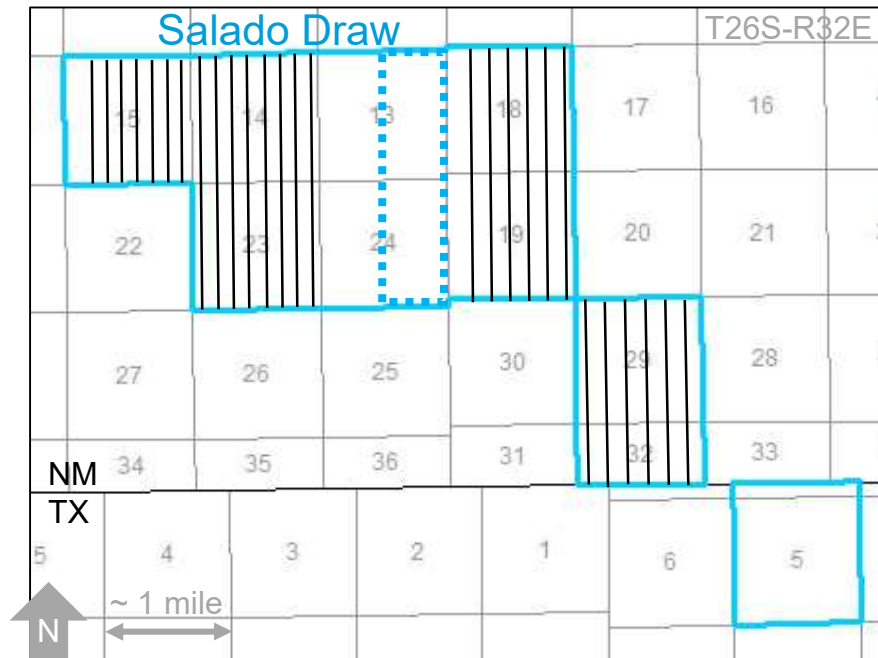
- Increasing sphere of technical influence through 17 first-author technical presentations (oral and poster) at internal subsurface characterization and reservoir management forums and external conferences (AAPG), *2010-2020*
- Promoting the use of new solutions to entire corporation with cross-functional machine learning ALICE team at the Chevron Fellow's 2020 Technology Showcase
- Peer reviewed publication "Hierarchical Organization and Spatial Variations of Lobes in Distributive Submarine Fans: Outcrop Study of the Point Loma Formation, California", USA: SEPM Special Publication 110, Volume Mountains to the Abyss: The California Borderland as an Archive of Southern California Geologic Evolution, 2019 (with Pyles, D.R. and Anderson, D.S.)

Honors:

- 2019 Chevron Reservoir Management Excellence Award as part of the GOM asset subsurface team for reservoir management practices
- Recognition & Award from Chevron Emerging Leaders Program for the "Best Team Player. Such dedication exemplifies your commitment to your job and the quality process", *2015*
- Inventor Award recipient, Chevron, *2014*
- Recipient of the SIPES Foundation Earth Science Scholarship, *2009*
- Rufus Choate Scholar- Top honor group for consistent high marks, Dartmouth College, *2005*
- Ebers Award - Outstanding Dartmouth Earth Science Major, *2005*
- The Pray Modern Language Prize, French and Italian Department, Dartmouth College, *2005*
- Estwing Award - Outstanding Dartmouth Earth Science Junior, *2004*
- Dartmouth Citation - Outstanding freshman in Environmental Earth Science, *2002*

Chevron's Plan – Wolfcamp A (WCA)

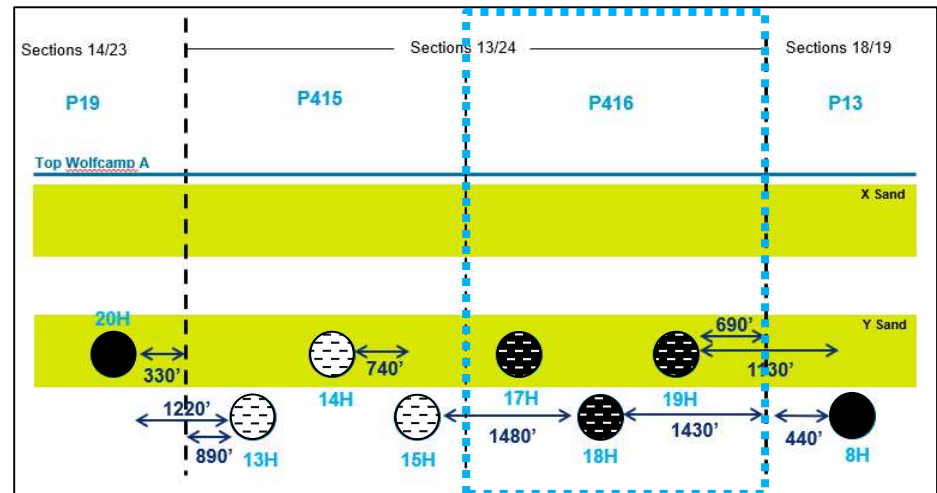
Chevron's 33 WCA well plan prevents waste by maximizing development in setbacks and developing all acreage. Chevron staggers targets in the WCA between the Y sand and underlying shale to minimize interference and maximize EUR. The 19H well is planned for the upper Y sand target.



SD_Pad_416_19H_18H_17H

Drilled Chevron WCA wells

Chevron 'gun barrel' (illustrative cross-section) of horizontal wells



● Drilled

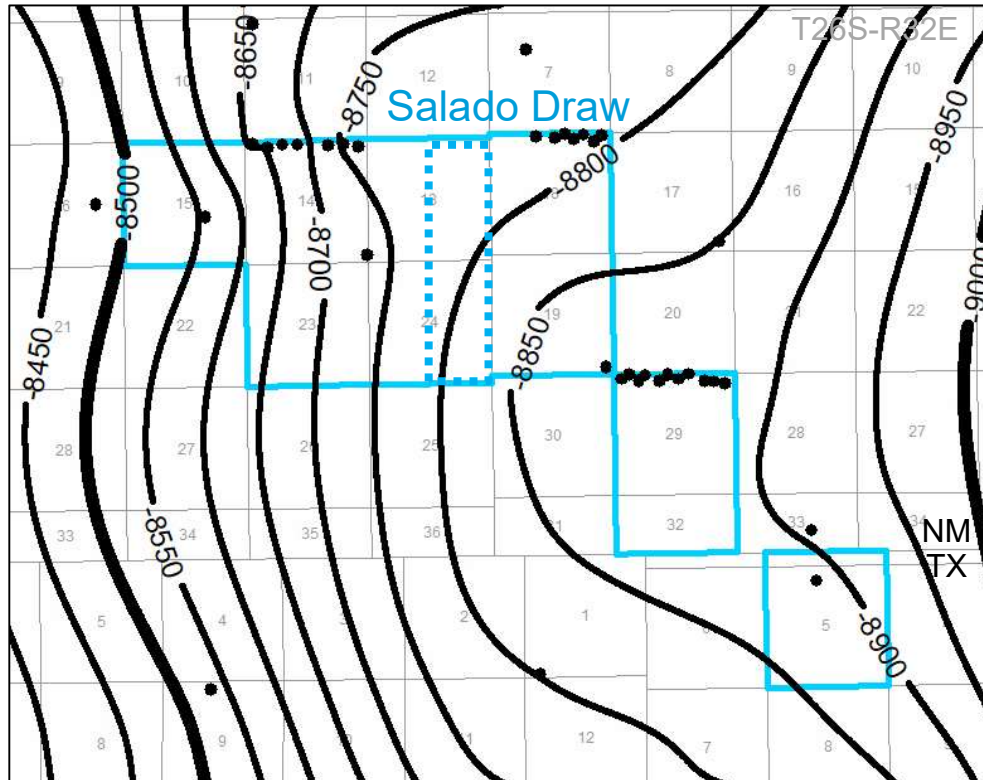
○ Planned

SD_Pad_416_19H_18H_17H (Planned)

Chevron has experience drilling the WCA in this area with 27 wells drilled on adjacent acreage on either side of the Sections 13/24. The 6 wells planned in Sections 13/24 will complete the WCA drilling campaign at Chevron's Salado Draw NM acreage and includes a vertical stagger and horizontal offset from existing wells to avoid lateral interference and prevent waste.

Structure map

Structure Map – Top WCA (TVDSS)



- Average depth to the target interval is ~8800' TVDSS
- The formation dips gently and consistently to the east at <1 degree
- Planned wells will be drilled from North to South parallel to the strike of the structure, minimizing well complexity



0 1 2 mi

CI = 50 ft

● Structure control point



SD_Pad_416_19H_18H_17H

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico

Exhibit No. D3

Submitted by: Chevron USA Inc.

Hearing Date: December 2, 2021

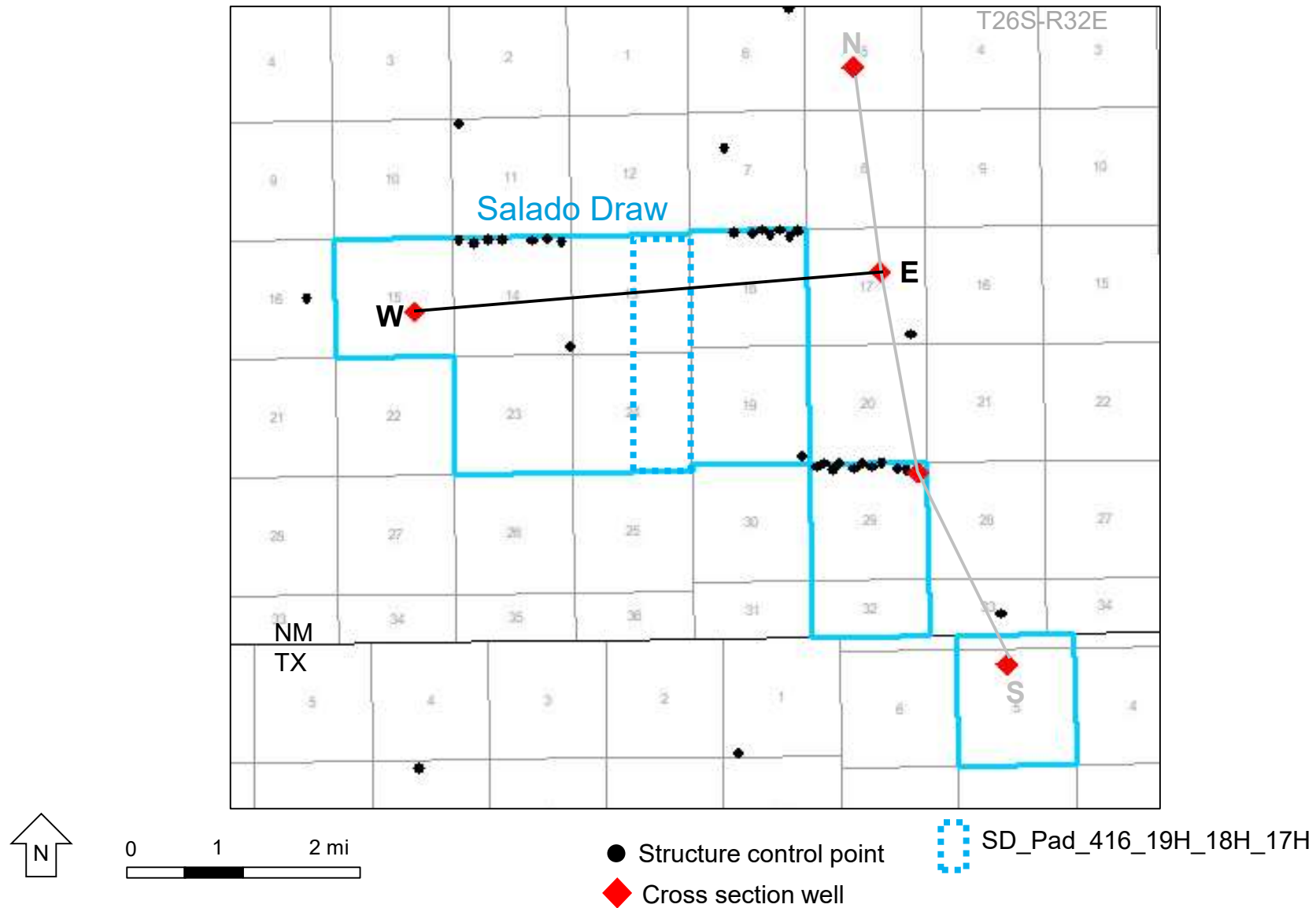
Case No. 22352

© 2021 Chevron



2

Cross Section Location Map



© 2021 Chevron



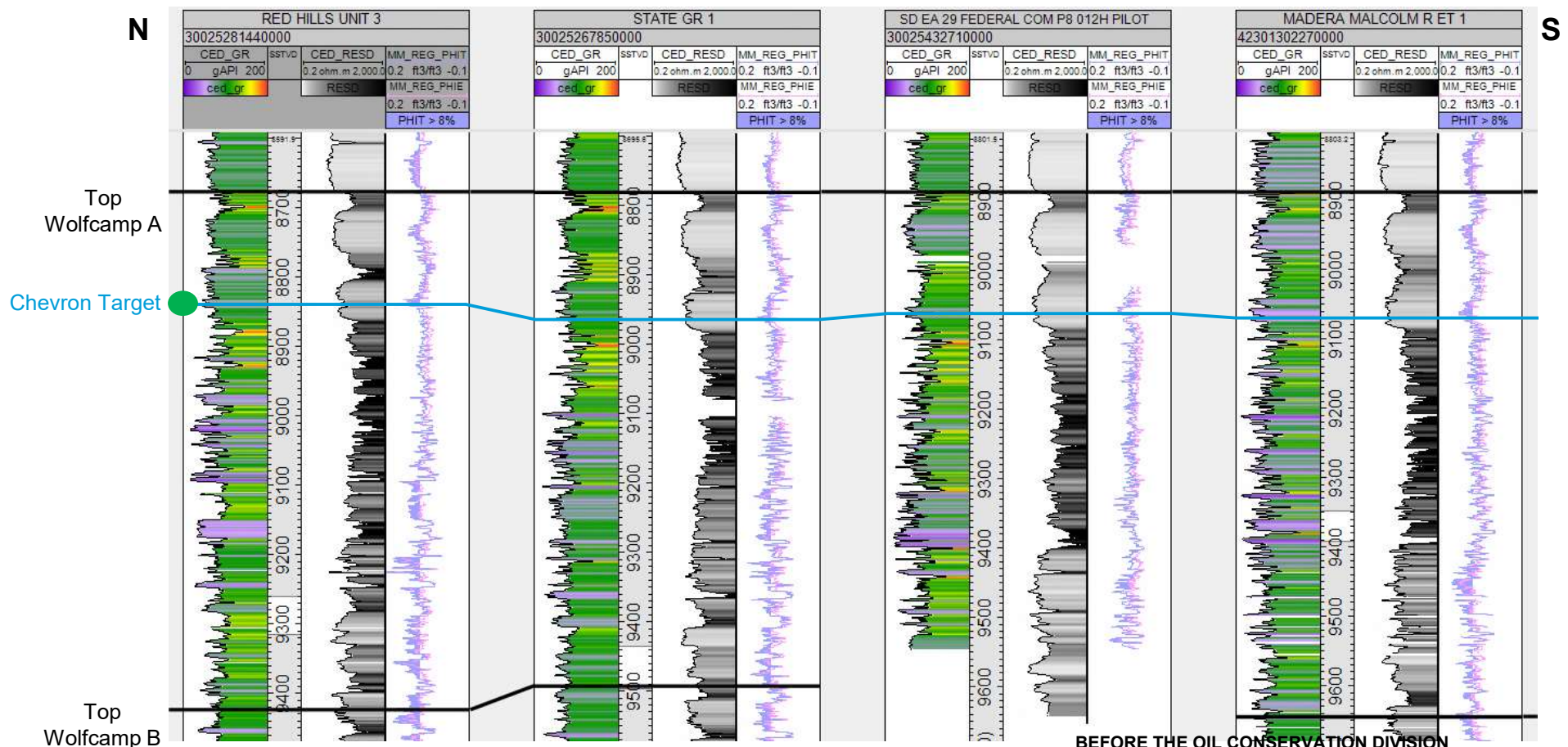
BEFORE THE OIL CONSERVATION DIVISION
 Santa Fe, New Mexico
 Exhibit No. D4
 Submitted by: Chevron USA Inc.
 Hearing Date: December 2, 2021
 Case No. 22352

3

Cross-section N-S

Stratigraphic Well Section (datum Wolfcamp A)

- Chevron plans to drill 19H in the Y-sand in the WCA interval
- Thickness and lithology of Chevrons target interval is relatively consistent



© 2021 Chevron



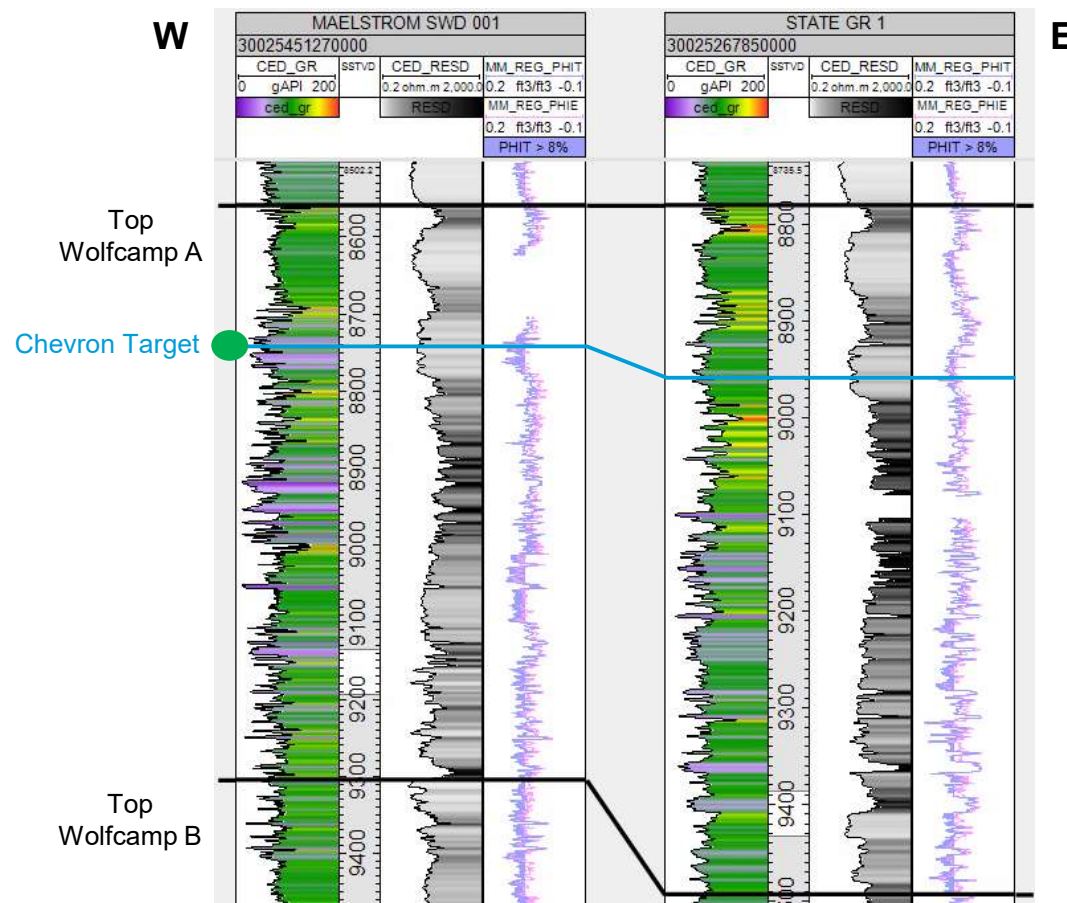
BEFORE THE OIL CONSERVATION DIVISION
 Santa Fe, New Mexico
 Exhibit No. D5
 Submitted by: Chevron USA Inc.
 Hearing Date: December 2, 2021
 Case No. 22352

4

Cross-section W-E

Stratigraphic Well Section (datum Wolfcamp A)

- Chevron plans to drill 19H in the Y-sand in the WCA interval
- Thickness and lithology of Chevrons target interval is relatively consistent



BEFORE THE OIL CONSERVATION DIVISION
 Santa Fe, New Mexico
 Exhibit No. D6
 Submitted by: Chevron USA Inc.
 Hearing Date: December 2, 2021
 Case No. 22352



CASE NO. 22352

AFFIDAVIT


[illegible]

Kaitlyn A. Luck, attorney in fact and authorized representative of Chevron U.S.A., Inc., the Applicant herein, being first duly sworn, upon oath, states that the above-referenced Application has been provided under the notice letters and proof of receipts attached hereto.

Frank Hull

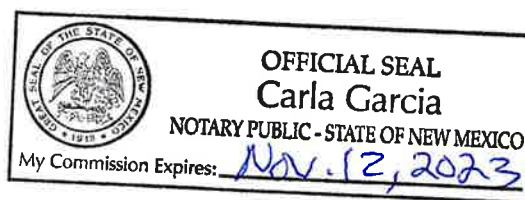
Kaitlyn A. Luck

SUBSCRIBED AND SWORN to before me this 30th day of November, 2021 by Kaitlyn
A. Luck.


Notary Public

My Commission Expires:

Nov. 12, 2023



BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. E
Submitted by: Chevron USA Inc.
Hearing Date: December 2, 2021
Case No. 22352



Kaitlyn A. Luck
Phone (505) 988-4421
kaluck@hollandhart.com

November 12, 2021

VIA CERTIFIED MAIL
CERTIFIED RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

**Re: Application of Chevron U.S.A. Inc. for compulsory pooling,
Lea County, New Mexico.
SD 24 13 FED P416 #17H, #18H, #19H wells**

Ladies & Gentlemen:

This letter is to advise you that Chevron U.S.A. Inc. has filed the enclosed application with the New Mexico Oil Conservation Division.

During the COVID-19 Public Health Emergency, state buildings are closed to the public and hearings will be conducted remotely. The hearing will be conducted on December 2, 2021 beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted on the OCD Hearings website: <https://www.emnrd.nm.gov/ocd/hearing-info/>.

You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date. Parties appearing in cases are required by Division Rule 19.15.4.13.B to file a Pre-hearing Statement four business days in advance of a scheduled hearing. This statement must be filed online or in person at the Division's Santa Fe office and should include: the names of the parties and their attorneys; a concise statement of the case; the names of all witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that are to be resolved prior to the hearing.

If you have any questions about this matter, please contact Greg Pazer, at 412-592-8964, or gpazer@chevron.com.

Sincerely,

A handwritten signature in blue ink, appearing to read "Kaitlyn Luck", written over a horizontal line.

Kaitlyn A. Luck
ATTORNEY FOR CHEVRON U.S.A. INC.

T 505.988.4421 F 505.983.6043
110 North Guadalupe, Suite 1, Santa Fe, NM 87501-1849
Mail to: P.O. Box 2208, Santa Fe, NM 87504-2208
www.hollandhart.com

Alaska
Colorado
Idaho

Montana
Nevada
New Mexico

Utah
Washington, D.C.
Wyoming

Chevron - SD 2413 17H-19H
Case No. 22352 Postal Delivery Report

TrackingNo	ToName	DeliveryAddress	City	State	Zip	USPS_Status
9414811898765851226313	Chevron U.S.A. Attn Land Department	6301 Deauville	Midland	TX	79706-2964	Your item was delivered to an individual at the address at 10:59 am on November 15, 2021 in MIDLAND, TX 79706.
9414811898765851226320	Chevron U.S.A.	1400 Smith St	Houston	TX	77002-7327	Your item arrived at the HOUSTON, TX 77002 post office at 4:43 pm on November 20, 2021 and is ready for pickup.
9414811898765851226306	Atlas OBO Energy, LP	1900 Saint James Pl Ste 800	Houston	TX	77056-4133	Your item was delivered to the front desk, reception area, or mail room at 4:10 pm on November 16, 2021 in HOUSTON, TX 77056.
9414811898765851226399	Royalty Clearinghouse 2003, LLC	201 W 5th St Ste 1350	Austin	TX	78701-3090	Your item was delivered to an individual at the address at 3:15 pm on November 16, 2021 in AUSTIN, TX 78701.
9414811898765851226344	Sandi Miller	17 Riverside Dr	Roswell	NM	88201-3952	Your item was delivered to an individual at the address at 10:25 am on November 15, 2021 in ROSWELL, NM 88201.
9414811898765851226382	Scot C. Miller	10048 Oak Knoll Ter	Colorado Springs	CO	80920-2431	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765851226375	Miller Family Mineral Interests, LLC	8311 Snoqualmie Dr	Pasco	WA	99301-6776	Your item was delivered to an individual at the address at 12:51 pm on November 18, 2021 in PASCO, WA 99301.
9414811898765851226016	Harding University	915 E Market Ave	Searcy	AR	72149-5615	Your item was delivered at 11:06 am on November 18, 2021 in SEARCY, AR 72149.
9414811898765851226054	Frost National Bank, Trustee	PO Box 1600	San Antonio	TX	78296-1600	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765851226061	BTA Oil Producers, LLC	104 S Pecos St	Midland	TX	79701-5021	Your item was delivered at 7:30 am on November 16, 2021 in MIDLAND, TX 79702.
9414811898765851226023	Kaiser-Francis Oil Company	6733 S Yale Ave	Tulsa	OK	74136-3302	Your item was delivered to the front desk, reception area, or mail room at 9:58 am on November 18, 2021 in TULSA, OK 74136.
9414811898765851226009	Fortis Minerals II, LLC	PO Box 470788	Fort Worth	TX	76147-0788	Your item was delivered at 9:31 am on November 18, 2021 in FORT WORTH, TX 76147.
9414811898765851226092	L and J Sumruld, LTD	1825 Sylvan Dr	Abilene	TX	79605-4935	Your item was delivered to an individual at the address at 4:03 pm on November 15, 2021 in ABILENE, TX 79605.
9414811898765851226047	Dragoon Creek Minerals, LLC	2821 W 7th St Ste 515	Fort Worth	TX	76107-8912	Your item was delivered to an individual at the address at 12:15 pm on November 18, 2021 in FORT WORTH, TX 76107.
9414811898765851226085	Pegasus Resources NM, LLC	PO Box 470698	Fort Worth	TX	76147-0698	Your item was delivered at 9:28 am on November 16, 2021 in FORT WORTH, TX 76147.
9414811898765851226030	McMullen Minerals, LLC	2821 W 7th St Ste 515	Fort Worth	TX	76107-8912	Your item was delivered to an individual at the address at 12:15 pm on November 18, 2021 in FORT WORTH, TX 76107.
9414811898765851226078	Pegasus Resources, LLC	2821 W 7th St Ste 500	Fort Worth	TX	76107-8913	Your item was delivered to an individual at the address at 12:15 pm on November 18, 2021 in FORT WORTH, TX 76107.
9414811898765851226412	Mustang Oil & Gas, LLC	PO Box 412	Roswell	NM	88202-0412	This is a reminder to arrange for redelivery of your item or your item will be returned to sender.
9414811898765851226467	Wolfcamp Title, LLC	PO Box 2423	Roswell	NM	88202-2423	Your item was delivered to an individual at the address at 3:40 pm on November 22, 2021 in ROSWELL, NM 88202.
9414811898765851226429	Monty D. McLane, Karen R. McLane	PO Box 9451	Midland	TX	79708-9451	Your item was delivered at 11:29 am on November 18, 2021 in MIDLAND, TX 79708.
9414811898765851226405	Alan Jochimsen	4209 Cardinal Ln	Midland	TX	79707-1935	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765851226443	States Royalty Limited Partnership	PO Box 911	Breckenridge	TX	76424-0911	Your item was picked up at the post office at 9:24 am on November 16, 2021 in BRECKENRIDGE, TX 76424.
9414811898765851226436	Thomas J. Depke and Marilyn A. Depke, Trustees U/I Of Thomas J. Depke, Dated 11/19/2004	2027 Country Field Dr	Chesterfield	MO	63017-7403	Your item was delivered to an individual at the address at 2:39 pm on November 16, 2021 in CHESTERFIELD, MO 63017.
9414811898765851226559	Elizabeth Trudeau Overly	11410 Shadow Way St	Houston	TX	77024-5215	Your item was delivered to an individual at the address at 3:28 pm on November 16, 2021 in HOUSTON, TX 77024.
9414811898765851226504	BPL Fish Pond, LLC	PO Box 92032	Southlake	TX	76092-0101	Your item was picked up at the post office at 9:46 am on November 22, 2021 in SOUTHLAKE, TX 76092.

Chevron - SD 2413 17H-19H
Case No. 22352 Postal Delivery Report

9414811898765851226542	Millis Jeffery Oakes	21302 Castlemont Ln	Spring	TX	77388-3821	We attempted to deliver your item at 11:33 am on November 16, 2021 in SPRING, TX 77388 and a notice was left because an authorized recipient was not available.
9414811898765851226535	Stephen William Oakes	4700 Spanishmoss Dr	McKinney	TX	75070-7469	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765851226573	Elizabeth Ann Cline	15400 Whistling Straits Dr	Austin	TX	78717-3838	Your item was delivered to an individual at the address at 11:44 am on November 16, 2021 in AUSTIN, TX 78717.
9414811898765851221219	Benjamin Jacob Oakes	3214 Hickory Grove Ln	Pearland	TX	77584-8118	Your item was delivered to an individual at the address at 1:02 pm on November 17, 2021 in PEARLAND, TX 77584.
9414811898765851221257	Matthew David Oakes	116 N Johnson Ave	San Marcos	TX	78666-4127	Your item was delivered to an individual at the address at 12:30 pm on November 16, 2021 in SAN MARCOS, TX 78666.
9414811898765851221264	Olin Brent Dalton	335 Granite Row	Meadowlakes	TX	78654-6411	Your item was delivered to an individual at the address at 12:17 pm on November 16, 2021 in MARBLE FALLS, TX 78654.
9414811898765851221202	David Trent Dalton	1025 Bald Eagle	Nolanville	TX	76559-4720	Your item arrived at the SANTA FE, NM 87504 post office at 7:53 am on November 22, 2021 and is ready for pickup.
9414811898765851221295	Milton R. Fry	11014 Hidden Bend Dr	Houston	TX	77064-4509	Your item was delivered to an individual at the address at 3:55 pm on November 16, 2021 in HOUSTON, TX 77064.
9414811898765851221240	YMC Royalty Company, LP	PO Box 681062	Houston	TX	77268-1062	Your item has been delivered and is available at a PO Box at 1:20 pm on November 16, 2021 in HOUSTON, TX 77014.

Affidavit of PublicationSTATE OF NEW MEXICO
COUNTY OF LEA

I, Daniel Russell, Publisher of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, solemnly swear that the clipping attached hereto was published in the regular and entire issue of said newspaper, and not a supplement thereof for a period of 1 issue(s).

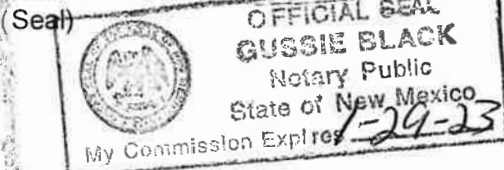
Beginning with the issue dated
November 18, 2021
and ending with the issue dated
November 18, 2021.


Publisher

Sworn and subscribed to before me this
18th day of November 2021.


Business Manager

My commission expires
January 29, 2023



This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937 and payment of fees for said

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL
CONSERVATION DIVISION SANTA FE, NEW MEXICO

The State of New Mexico, Energy Minerals and Natural Resources Department, Oil Conservation Division ("Division") hereby gives notice that the Division will hold public hearings before a hearing examiner on the following case. During the COVID-19 Public Health Emergency, state buildings are closed to the public and Division hearings will be conducted remotely. The public hearing for the following case will be electronic and conducted remotely. The hearing will be conducted on **Thursday, December 2, 2021, beginning at 8:15 a.m.** To participate in the electronic hearing, see the instructions posted below. The docket may be viewed at <https://www.emnrd.nm.gov/ocd/hearing-info/> or obtained from Marlene Salvidrez, at Marlene.Salvidrez@state.nm.us. Documents filed in the case may be viewed at <http://ocdimage.emnrd.state.nm.us/imaging/CaseFileCriteria.aspx>. If you are an individual with a disability who needs a reader, amplifier, qualified sign language interpreter, or other form of auxiliary aid or service to attend or participate in a hearing, contact Marlene Salvidrez at Marlene.Salvidrez@state.nm.us, or the New Mexico Relay Network at 1-800-659-1779, no later than **November 22, 2021**.

Persons may view and participate in the hearings through the following link:

<https://nmemnrd.webex.com/nmemnrd/onstage/g.php?MTID=e373ccca895f31b1e444a2f8d30af1ede>
Event number: 2497 361 3254
Event password: bpXPunYs263

Join by video: 24973613254@nmemnrd.webex.com
Numeric Password: 143879

You can also dial 173.243.2.68 and enter your meeting number

Join by audio: 1-844-992-4726 United States Toll Free
Access code: 2497 361 3254

STATE OF NEW MEXICO TO:
All named parties and persons
having any right, title, interest
or claim in the following case
and notice to the public.

(NOTE: All land descriptions herein refer to the New Mexico Principal Meridian whether or not so stated.)

To: All overriding royalty interest owners and pooled parties, including: Atlas OBO Energy, LP; Royalty Clearinghouse 2003, LLC; Sandi Miller, her heirs and devisees; Scot C. Miller, his heirs and devisees; Miller Family Mineral Interests, LLC; Harding University; Frost National Bank, Trustee; BTA Oil Producers, LLC; Kaiser-Francis Oil Company; Fortis Minerals II, LLC; L and J Sumruld, LTD; Dragoon Creek Minerals, LLC; Pegasus Resources NM, LLC; McMullen Minerals, LLC; Pegasus Resources, LLC; Mustang Oil & Gas, LLC; Wolfcamp Title, LLC; Monty D. McLane, Karen R. McLane, their heirs and devisees; Alan Jochimsen, his heirs and devisees; States Royalty Limited Partnership; Thomas J. Depke and Marilyn A. Depke, Trustees, U/I of Thomas J. Depke, dated 11/19/2004; Elizabeth Trudeau Overly, her heirs and devisees; BPL Fish Pond, LLC; Millis Jeffery Oakes, his heirs and devisees; Stephen William Oakes, his heirs and devisees; Elizabeth Ann Cline, her heirs and devisees; Benjamin Jacob Oakes, his heirs and devisees; Matthew David Oakes, his heirs and devisees; Olin Brent Dalton, his heirs and devisees; David Trent Dalton, his heirs and devisees; Milton R. Fry, his heirs and devisees; and YMC Royalty Company, LP.

Case No. 22352: Application of Chevron Production Company for compulsory pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests in the Wolfcamp formation (WC-025 G-08 S263205N; UPPER WOLFCAMP [98065]) underlying a standard 640-acre horizontal spacing unit comprised of the E/2 of Sections 13 and 24, Township 26 South, Range 32 East, NMPM, Lea County, New Mexico. The above-referenced unit will be dedicated to the proposed initial wells: (1) the SD 24 13 FED P416 #17H well (API No. 30-025-pending), and (2) the SD 24 13 FED P416 #18H well (API No. 30-025-pending), to be horizontally drilled from a surface hole location in the SW/4 SE/4 (Unit O) of Section 24 to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 13; and (3) the SD 24 13 FED P416 #19H well (API No. 30-025-pending), to be horizontally drilled from a surface hole location in the SW/4 SE/4 (Unit O) of Section 24 to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 13. The completed interval for the SD 24 13 FED P416 #18H well will remain within 330 feet of the E/2 E/2 of Sections 13 and 24 to allow inclusion of this acreage in a standard horizontal spacing unit. Also, to be considered will be the cost of drilling and completing the well, the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator, and a 200% charge for risk involved in drilling and completing the well. Said area is located approximately 28 miles west of Jal, New Mexico.
#37036

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. F

Submitted by: Chevron USA Inc.
Hearing Date: December 2, 2021
Case No. 22352